



EUROPEAN UNION



*Empowered lives.  
Resilient nations.*

# Needs Assessment of Roma and Egyptian individuals on employment and entrepreneurship

in the regions of Korca, Berat and Vlora

Prepared by: Krisela Hackaj





## Copyright



This material was made possible with the financial support of “Supporting Social Inclusion of Roma and Egyptian Communities” project. Any opinions expressed are those of the author and do not necessarily reflect the views of the United Nations Organization or its Agencies.

The project aims at the social and economic empowerment of marginalized Roma and Egyptian communities through: participatory planning for infrastructure development, capacity building support for Roma and Egyptian Civil Society Organizations, promote employability and entrepreneurship, support to local and central government institutions towards achieving the objectives set forth in the Decade of Roma Inclusion.

The project is implemented in three regions: Korca, Berat and Vlora. It is funded by the European Union and implemented by the United Nations Development Programme in Albania in partnership with the Ministry of Social Welfare and Youth.

### *Acknowledgements*

*The author feels indebted to Bujar Taho for his valuable insights and editorial guidance and to Jorida Malevi for her valuable support during the research stage of the project.*



## Table of Content

List of Abbreviations	7
1. INTRODUCTION TO THE OBJECTIVES OF THE NEEDS ASSESSMENT	9
1.1 The project “Supporting the Social Inclusion of Roma and Egyptian Communities - SSIREC“	9
1.2 Purpose of the needs assessment of Roma and Egyptian individuals on Employment and Entrepreneurship	9
1.3 Methodology of the Needs Assessment	10
1.4 Limitations	13
2. GENERAL OVERVIEW OF THE FINDINGS REGARDING R/E COMMUNITY IN BERAT, KORCE AND VLORE	15
3. OVERVIEW OF EMPLOYMENT PROMOTION PROGRAMMES	20
3.1 Employment promotion policies and R/E communities	20
3.2 Employment promotion figures	21
3.3 Vocational and Education Training	23
3.3.1 Main VET institutions	23
3.3.2 Legislation Framework for Vocational Training & R/E communities	24
4. ROMA AND EGYPTIAN SELF-EMPLOYMENT AND ENTREPRENEURSHIP	29
4.1 Roma self-employment and entrepreneurship	29
4.2 Interest in becoming Self-employed and starting a business	30
4.3 Barriers to business start-ups	31
4.4 Accessing Microcredit	32
5. SOCIAL INCLUSION IN ALBANIA: FUTURE PUBLIC ACTION TRENDS	35
5.1 National strategic framework on social inclusion	35
5.2 Foreign assistance in Albania for Social Inclusion	36
5.3 Social inclusion in the upcoming IPA II (2014-2020)	36
6. RECOMMENDATIONS	38
7. BIBLIOGRAPHY	45



## List of Abbreviations

CoM	Council of Ministers
DCM	Decision of the Council of Ministers
EIDHR	European Instrument for Democracy and Human Rights.
EU	European Union
EO	Employment Offices
IPA	Instrument for Pre-Accession Assistance
LGU	Local Government Units
MoLSAEO	Ministry of Labour, Social Affairs and Equal opportunities
MIPD	Multiannual Indicative Planning Document
NA	Needs Assessment
NES	National Employment Services
NFP	Not For Profit
NSDI	National Strategy for Development and Integration
RED	Regional Employment Directorate
SEVT	Strategy for Employment and Vocational Training
VET	Vocational and Education Training
VT	Vocational Training
VTC	Vocational Training Center
SSIREC	Supporting the Social Inclusion of Roma and Egyptian Communities





# 1. INTRODUCTION TO THE OBJECTIVES OF THE NEEDS ASSESSMENT

## 1.1 The project “Supporting the Social Inclusion of Roma and Egyptian Communities - SSIREC“

The Project is funded by the European Union and implemented by the United Nations Development Programme (UNDP) in Albania, in partnership with the Ministry of Labour, Social Affairs and Equal Opportunities (MoLSAEO). It aims to empower the marginalized communities in the regions of Korca, Berat and Vlora socially and economically. Its action relies on the active participation of the Roma and Egyptian communities as well the close collaboration with central and local authorities in the targeted regions.

SSIREC target is to enable communities to participate in local planning processes and prioritization of infrastructure development of Roma/Egyptian neighborhoods. It will also work to build capacities of Roma and Egyptian civil society organizations to be able to implement small scale projects in response to community needs.

The project also supports Roma and Egyptian people through vocational trainings to increase their employability, as well as to strengthen the artisan and entrepreneurship skills. The next line of support is aimed to MoLSAEO and Local Government Units (LGU) so that they can effectively implement and monitor the National Roma Decade Action Plan while promoting human rights and appreciating cultural diversity.

## 1.2 Purpose of the needs assessment of Roma and Egyptian individuals on Employment and Entrepreneurship

The Needs Assessment for vocational trainings and entrepreneurship services targeting Roma and Egyptian communities in the regions of Korca, Berat and Vlora, aims to identify effective and sustainable approaches for increasing employability and entrepreneurship initiatives of Roma and Egyptian individuals/businesses. The assessment will provide a detailed view of the main sectors where Roma/Egyptian communities are active, the constraints they face in their work, and suggest ways how to overcome them. The assessment will also provide concrete implementation recommendations to supporting and coaching the R/E businesses and to promoting employment mainly based in the available and most

adapted local professional expertise of the Vocational and Education Training (VET) and job promotion service providers.

As a conclusion SSIREC Project, through this activity aims to obtain a clear and all-encompassing view of the economic and business environment surrounding the Roma and Egyptian communities, identify the main Roma and Egyptian business actors, their profile and the kind of support needed to them.

### 1.3 Methodology of the Needs Assessment

This section describes the methods used to collect the data and information presented in the Chapters II, III and IV of the Report.

The assessment methodology has been constructed and data has been collected by desk research and field work. It has been completed with contact and liaising with main stakeholders such as businesses, individuals from the R&E community, private and public VET institutions, local government, regional development agencies, financial institutions, etc. The so-gathered data are reflected in this report and provide an all-compassing and comprehensive view of the employment and entrepreneurship reality for the R/E communities.

#### a. Desk review

The desk review has been the initial methodological instrument to carry out the research, and has done extensive use of all existing and available sources related to the employment situation of Roma and Egyptian communities. i.e. surveys, studies, reports. This has been completed by the relevant legal framework for setting up & running a business and the relevant help for RE; and c) by the relevant policies such as National Action Plan on Roma, the community mobility, existing programmes related to the promotion of employment provided by MOLSAEO, entrepreneurship and vocational trainings, and implemented by MOLSAEO or other partner organization.

More in detail the desk review process covered: (i) The legal and regulatory framework about the VET and Entrepreneurship in Albania; (ii) Statistical data and information from administrative sources such as the MoLSAEO, National Employment Service (NES), INSTAT, Public VT providers; (iii) Information from previous studies and research focussed

on quantitative data; (iv) information from EU and other funded programmes and projects in the sector of social and economic inclusion; (v) other sources related to future EU assistance instruments in Albania for the sector of social and economic inclusion.

## b. Questionnaire

The questionnaire<sup>1</sup> prepared and used by the Consultant is divided in 4 sections.

- (i) **Section A** collects information from Private R/E and non R/E organizations involved in RE employment problematic, and provides general information on:
  - a. organizational structure and operational details of the Private R/E and non R/E organizations implementing projects and initiatives targeting the R/E community;
  - b. list & typology of activities aiming to the social and economic inclusion of the target groups;
  - c. sector of activities and related RE sub-target groups; v
  - d. level of cooperation with other local, national and international organizations.
- (ii) **Section B** collects data from Professional training organizations/institutions and provides mainly quantitative information on:
  - a. permanently offered courses;
  - b. no. of R/E individuals attending the courses;
  - c. employment figures after certification;
  - d. courses that are more requested by the R/E community individuals.
- (iii) **Section C** collects information from National Employment Office/Regional Directories and provides quantitative information on:
  - a. No. of R/E unemployed jobseekers;
  - b. Type of services offered to R/E unemployed jobseekers;
  - c. Numbers of R/E unemployed jobseekers participating to the specific employment promotion programmes;
  - d. R/E unemployed jobseekers attending VET courses after registration.
- (iv) **Section D** collects information from Financial and Non-financial Service Providers and Potential and Existing R/E Entrepreneur and provides an overview on:

<sup>1</sup> See Annex 2.

- a. Self-employment of R/E individuals, size and sector;
- b. Barriers to the start-up of R/E businesses;
- c. Problems during implementation of R/E businesses;
- d. Barriers to the access to credit system;
- e. Training needs for the R/E entrepreneur.

The questionnaire was presented to the stakeholders attending each of the local workshops organized in three cities. The Consultant explained how the questionnaires should be filled out and what to do in case of misunderstandings. Through concrete cases the participants were explained about different potential situations that can create misunderstanding and are advised how they will be solved. The Consultant assisted the interviewees during the filling of the questionnaire.

The quantitative data collected through the Questionnaire were provided by (i) Private R/E and non R/E organizations; (ii) Professional training organizations/institutions; (iii) National Employment Office/Regional Directories; (iv) Financial and Non-financial Service Providers; (v) R/E Existing and Potential Entrepreneurs. The following table provides details on the numbers of participants in each of the above categories.

Table 1.1 Stakeholders categories target of the Questionnaire and Focus Groups

	Date	Private R/E and non R/E organizations	Private and Public Professional training organizations/institutions	National Employment Office/Regional Directories	Financial and Non financial Service Providers & R/E Existing and Potential Entrepreneurs
Berat	14.06.2013	6	1	2	6
Korca	17.06.2013	13	1	1	1
Vlora	19.06.2013	1	1	1	6

### c. Focus Group

The qualitative findings of the report are also based on the results of the Three Working Groups (WGs) that have been set up in each of the regions. They were organised during the three workshops on “Entrepreneurship and Employment Promotion for the inclusion of R/E community in the Labour Market“. Each WG covered one of the following three thematics:

1) VET, 2) Craftwork, 3) Entrepreneurship. The main assumption of the work of the WGs was that employment and entrepreneurship assistance has to be achieved through 1) widely as networking/linking, 2) assistance in drafting business/income-generation plans, 3) grants/loans/micro-credits.


The WGs discussed on the challenges, opportunities and needed actions in relation to entrepreneurship of the R/E communities. Each thematic WG focussed on:

- the state of arts of VET/Craft work/Entrepreneurship in the community and the needs for support. Participants did analyze problems, described local situations, and rated the importance of needed support options that were offered to them;
- the functioning of networking and their usefulness (who are the main stakeholders in the entrepreneurship promotion process, how do they interact, what is functioning, recommendations for increasing effectiveness);
- the assistance provided in drafting business/income-generation plans and their impact (who are the main actors, how do they operate, provide facts and figures, best practices and problems encountered, what needs to be done to better meet demand and offer);
- the grants/loans/micro-credits portfolio for R/E and its performance (who are the main providers, how do they operate, best practices, weaknesses that need to be analyzed for increasing the success rate).
- City Date Roma citizens Mainstream population

## 1.4 Limitations

The main limitations to the data collection and their analysis are the following:

- Lack of statistical data on employment, economic activity and other economic indicators for the R/E community at regional level;
- The period of implementation of the infield work happened to fall in June 2013, before the political elections taking place in Albania. Some of the local public administrations and other invited representatives of regional stakeholders couldn't fully participate in the workshops & related activities, because of engagements in the electoral process.
- The Egyptian community is not recognized as a national minority or a vulnerable



group and are not specific target of public programmes affecting employment and entrepreneurship of this community. Numbers on this community are based on self-declarations of the individuals.

## 2. GENERAL OVERVIEW OF THE FINDINGS REGARDING R/E COMMUNITY IN BERAT, KORCE AND VLORE

### Korca

According to the recently publicized results of the Population and Housing Census 2011 of INSTAT, the resident Roma population is 1.005 individuals and the resident Egyptian population is 847 individuals. These numbers vary widely from those reported by the different NGO and international organizations working in the region. These ones refer to about 800 families or 23.000<sup>2</sup> Roma and Egyptian individuals living in various parts of Korça region, with greater concentrations in the city of Korca and its suburbs, Pogradec, Pojan, Maliq and Bilisht.

More than half of the Roma/Egyptian appears to fall into the category of long term unemployed individuals. In the absence of a job in the formal sector, they work in the informal one, where the trade of used clothes, casual jobs, music, collection of cans and begging are the main sources of income. Rod, straw, clay (pottery), tobacco, plastic, carpet, needlework are the main artisan specialties in the Korca region.

Main organization stakeholders, working in the area of social inclusion are World Vision, Terre des homes, Help for Children Foundation, Dorcas Aid Albania and several branches of R/E NGOs. Below are being reported the official data on R/E unemployment; but figures are expected to be much more higher, since registration process to the “unemployed job-seeking” category still remains a challenge for the R/E community.

Table 2.1 Unemployed job-seeking R/E in Korce<sup>3</sup>

	January 2013	February 2013	March 2013
Korce	653	656	671
Devoll	128	128	128
Kolonje	20	20	20
Pogradec	109	112	114

<sup>2</sup> Consultative Workshop, Supporting Social Inclusion of Roma/Egyptian Communities” (SSIREC) Project, October 3, 2012

<sup>3</sup> NES, 2013

The local authorities (municipalities & communes) have shown an increased sensitivity towards the needs of R/E people and have been organizing “Participatory Budgeting” for some years now. MOLSAEO and also local NGOs such as Tabita, NPF, etc., offer employment services aiming at promoting employment<sup>4</sup>. The ongoing local initiatives are still weak due to missing financial support and R /E communities are not well-informed about public services and structures. In sporadic cases, there are some good initiatives promoting the entrepreneurship of newly established R/E enterprises. The Commune of Bucimas besides employing a Roma, has exempted the newly established R/E enterprises from the payment of local taxes for the first two years of activity.

Private organizations (i.e. Vision Fund ) try to fill the gap left by public authorities by providing targeted services such as interest-free loans open to businesses of R / E families, yet as reported generally R/E do not meet the criteria for loans or have bad credit history, lacking also the knowledge and skills to survive in the market. In conclusion, in Korca the R/E community seems to be better organized in terms of representation in organizations, to be more aware of employment services that national or regional organizations can offer and the limits this offer might have. Artisan activities result to be more structured. Furthermore, the R/E entrepreneurs, reported to have clear vision of the specifics needs for support.

## Berat

According to the recently publicized results of the Population and Housing Census 2011 of INSTAT, the resident Roma population is 202 individuals and the resident Egyptian population is 108 individuals. However, the different NGO and international organizations working in the region report that Berat region is inhabited by roughly 2.400 Roma and 3.000 Egyptian families spread in the city of Berat, Kucove and in the communes of Otlak, Ura Vajgurore, Poshnje<sup>5</sup>. The Roma families are located in the periphery of the city, or mostly in rural areas, whereas the Egyptians are generally settled in the city or urban quarters.

Although there are R/E families who own land their involvement in agriculture activities is not well-organized and some of them have migrated to neighboring countries. Other vulnerable R/E families living in semi-urban areas have as their main source of income trading of second hand clothes, collection of iron waste, occasional jobs, begging and economic assistance (welfare).

---

<sup>4</sup> Detailed Fiches of the services offered by the local Organizations have been gathered during the in-field work of the Consultant.

<sup>5</sup> Consultative Workshop, Supporting Social Inclusion of Roma/Egyptian Communities” (SSIREC) Project, October 3, 2012



Among organizations that are operating in Berat are Swiss Cooperation and NPF which cooperate with local Roma association (United Roma of Berat Association) or local branches of mainstream R/E NGO (Amaro Drom).

Table 2.2: Unemployed job-seeking R/E in Berat<sup>6</sup>

	January 2013	February 2013	March 2013
Berat	817	811	796
Kucove	184	187	190
Skrapar	127	27	27

There are efforts for representation of the R/E communities in the Municipal council/ Communal council, promoting community mediation services, sensitizing activities on education problems (child-education), mainly through projects of civil society organizations funded by international donors. Some urban areas populated by R/E lack the community organizing (Berat, Ura-vajgurore etc), thus they are not participating in the local decision-making processes and structures. The R/E entrepreneurs and aspiring one reported the lack of one organization representing the artisans of Berat and their interests. The organization was viewed as a network that could help them being more competitive, preserving the quality and securing raw materials at lower prices.

On the other side, microcredit schemes to R/E community are functioning. One of the Private microcredit institutions attending the workshop reported to have an active portfolio of 955 clients, where 20% belongs to R/E. However problems with correctness and management skills have been reported to be the main problem of the R/E portfolio.

In conclusion, The R/E community in Berat is lacking representing organizations, especially of the artisan community, that could support them in different initiatives and/or programmes affecting their activities. The fact that there is no VTC in Berat, directly excludes the potential interested beneficiaries from the education and professional services offered by the public system. In addition, private VTC in Berat are asking for more cooperation of the EO to orient

<sup>6</sup> NES, 2013

the qualification demand (those coming to the EO and seeking a job, but lacking professional skills) to the private VET centers. The later can further liaison with NFP organizations and other donors for financial support for this contingent. Fassion industries are concentrated in Berat suburbs. This calls for a stronger and functioning partnerships among businesses and EO, in order to meet the labour demand and offer of the R/E community.

## Vlora

According to the recently publicized results of the Population and Housing Census 2011 of INSTAT, the resident Roma population is 282 individuals and the resident Egyptian population is 15 individuals. However, the different NGO and international organizations working in the region report about 500 Roma and at least 1.500 Egyptian families living in the several units of Vlora region<sup>7</sup>. Egyptians are mainly settled in cities of semi-urban suburbs in quite spread and mixed neighborhoods, whereas Roma are mostly in rural areas mostly in separated or Roma dominated quarters. The major areas inhabited by R/E are Vlora city, Shushice, Novosele, Akerni, as well as Delvine, Saranda and their suburbs.

Vlora region is mainly agricultural and pastoral, and tourism has become a major industry in recent years, with many hotels, restaurants and recreational centers. Such profile possesses great potentials for development of R/E communities, yet social exclusion of these communities remains a real barrier leaving most of them in the informal sectors of economy. Some NGOs operating in Vlora region are Terre des Hommes, Amaro Drom, Auleda, Vatra center, Lidia Foundation.

Table 2.3 Unemployed job-seeking R/E in Vlore<sup>8</sup>

	January 2013	February 2013	March 2013
Vlore	113	113	113
Delvine	144	160	160
Sarande	26	26	26

The main problems are related to the limited funds to address infrastructure issues in R/E communities and to the fact that R/E do not have their own representatives in municipal

<sup>7</sup> Consultative Workshop, Supporting Social Inclusion of Roma/Egyptian Communities” (SSIREC) Project, October 3, 2012

<sup>8</sup> NES, 2013

and commune councils. Usually meetings of the municipal/community councils are not announced in the media, and this seems to contribute, among other things, the lack of consultation with R/E communities in setting up local and regional priorities. Participatory budgeting practice exist mainly in municipalities (not in communes), however, there is no explicit involvement of socially-excluded R/E communities in such consultation processes. Officials in the Vlora Regional Council are trained to collect and enter data into the national database for monitoring the Roma Decade National Action Plan. However, continuous assistance is necessary for correct data collection and reporting.

In conclusion, R/E community in Vlora is actively involved in agriculture and trade sector. The traditional VET courses such as Tailoring, cosmetics, hairdresser are very requested by the women R/E community. The specificity emerged during the infield work in Vlora was that the self-employed R/E expressed the need for having specific professional education courses in Agriculture, farming, legislation of insurances in the agricultural sector, olive oil production.

## 3. OVERVIEW OF EMPLOYMENT PROMOTION PROGRAMMES

Different social protection measures (social aid and payment for disability) and labour market programs (employment promotion, vocational training, unemployment payment and mediation and counseling assistance) have been adopted by the Albanian Government, including specific related financing in the annual state budget. The major part of this budget is addressed to the social protection measures that represented in 2011 about 37% of the total budget of Ministry of Labour, Social Affairs and Equal Opportunities (MoLSAEO).

### 3.1 Employment promotion policies and R/E communities

Government policies addressing unemployment issues in Albania are not specifically targeting the Roma and Egyptian population. The main public employment promotion programmes adopted by the GoA, and affecting R/E are:

- i) Support to the unemployed job seekers with difficulties. Under this programme, employers providing employment to job seekers for at least one year receive up to 100% of the minimum wage for four months, and are reimbursed for 100% of their part of social insurance contributions. Eligible beneficiaries are long-term unemployed persons, people receiving social assistance, people receiving unemployment benefits, 18-25 year-olds who are entering the labour market for the first time, people over 45 years age who do not have any education higher than the secondary education or its equivalent, people with disabilities, Roma people, and returned emigrants;
- ii) On-the-job training for unemployed job seekers. Under this programme, employers who provide on-the-job training for unemployed job seekers are offered financial support in the form of training costs (up to 70% of the cost). In addition, job seekers participating in the trainings receive 50% of the minimum wage for the duration of the training. This program does not address specific target groups;
- iii) Support to unemployed women. Under this programme, employers providing employment to marginalized female job seekers for at least one year receive 100% of the minimum wage for four months and 70% of their part of social insurance

contributions. In the case of two-year contracts, employers received the minimum wage for six months and 85% of their part of social insurance contributions. Similarly, in the case of three-year contracts, employers received the minimum wage for four months and 100% of their part of social insurance contributions. The financing of this programme by the state budget ended in 2010. After that, the MoLSAEO specified that the target groups included in the “marginalized women” would be previously trafficked women, women over 35-year-old, Roma women, disabled women and divorced women. In 2012, the GoA extended the number of target groups to include long-term unemployed women, women over 50 years old and women returned from emigration.

- iv) Training of youngsters finalizing university education. In this case both employees and job seekers benefit an amount equal to 100% of the unemployment payment for six-month duration.

R/E individuals, share in significant number the features of the target groups 1, 2 and 3, and as such constitute de facto an important component of the beneficiary group. However, they remain dis-advantaged because on top of their socio-economic and professional handicap, they suffer from other “hidden” barriers to employment such as distance from the work / school / etc, stigma of being R/E, frequency of migration, possession of ID cards and other personal & administrative documents, knowledge on the existence of the employment programmes, etc that the other ethnical groups do not have, or in lesser degree.

Hence there is ground to improve the design and implementation of the employment promotion public policies by taking into account the specificities of the R/E community profile. Otherwise there is the risk of not achieving the desired impact on the employment front because other variables have not been taken into account.

### 3.2 Employment promotion figures

About 7,200 people from the above target groups benefited from these programs during the last four years (see Table 3.1).

Table 3.1 Number of participants/beneficiaries at national level<sup>9</sup>

Programmes	2008	2009	2010	2011
1 Employment Promotion	2.188	2.020	1.757	1.170
2 Vocational Training	7.965	7.751	10.470	10.475
3 Unemployment payment	9.866	10.244	10.055	9.397
4 Mediation and counseling	11.150	11.344	11.913	11.555

Table 3.2 Data on Roma participants to the Employment promotion programmes in 2011 at national level<sup>10</sup>

Programme	No.	Length (months)	Roma
DCM no. 47 dt 16.01.2008 “ <i>On-the-job training for unemployed job seekers</i> ”	26	5.2	113
DCM no. 48, dt 16.01.2008 “ <i>Support to the unemployed job seekers with difficulties</i> ”	33	12	249
DCM no. 873, dt 27.12.2006 “ <i>Training of youngsters finalizing university education</i> ”	43	6	0

INSTAT is not providing any statistics on the Roma that have been attended the DCM no. 632 “Support to unemployed women”.

All these programmes have in common one precondition for beneficiaries: they have to be registered as unemployed job seekers in the local National Employment Service (NES) offices. While the Roma unemployment rate is estimated as being very high, the number of Roma registered is very low and many unemployed Roma are not registered. Roma people are generally not informed about the necessity of registering as a job seeker and to what extent it may negatively affected other important issues for them such as unemployment benefits, social aid, their healthcare card etc. Activities of the central and local Government institutions, local NGOs and international donors’ seem to not produce the desired positive results about increasing the Roma community’s awareness about registration in the local

<sup>9</sup> Addressing Social Inclusion through Vocational Education and Training, Good practices in the integration of marginalized groups in the labour market, ILO, 2012.

<sup>10</sup> NES, 2011

NES offices.

Roma community members admit that the main reason is that they do not believe that NES assistance will increase their chances of employment<sup>11</sup>. Other reasons must be also considered:

- There is little information on registration procedures and criteria: Roma are not familiar with administrative procedures and their communication with the local administration is generally poor. On the other hand, the local administration is not specifically focused on assisting Roma people to become declared job seekers;
- Many Roma families are moving from one settlement to another mostly for economic reasons;
- The perpetual issue of Roma not registering in the Civil Registration Office becomes a big obstacle for their registration as job seekers.

### 3.3 Vocational and Education Training

#### 3.3.1 Main VET institutions

The responsibilities for training provision are split between different institutions. The main one are:

The MoLSAEO: (i) develops policy and legislation in the areas of VT in conformity with the European directions of VT development; (ii) defines the main criteria for VTC operation and decides on establishment, reorganization and closure of VTCs; (iii) defines the criteria for employment, qualification, certification and periodical training of VT instructors; (iv) approves the curricula in the central level for VT; (v) supervises the activity of public VTC; and (vi) cooperates with the NLC for licensing of VT providers.

The National Employment Service (NES) is an autonomous body under MoLSAEO established by Law No. 7995, date 20.09.1995, “On the Promotion of the Employment” and its function is regulated by the NES Charter Government Decree No. 42, date 7.03.1998, “For the approval of the employment services”. The NES mission is to ensure that all Albanian citizens who live in Albania have access to employment through employment

<sup>11</sup> HDPC, Roma Active Albania, Civil Society Monitoring Report on the Implementation of the National Roma Integration Strategy and Decade Action Plan in 2012 in Albania.

services and participation in the labor market programs, as well as it is in charge of overall development of the country's labor force through investments to increase employment and self-employment skills, flexibility and competitive skills. The Directory for Vocational Training is one of the four NEs Directories composed by two sectors, namely the VT Sector and the Curricula Sector. Among the main functions of VT Directory are those related to monitoring the implementation of the VT programs in the public and non-public licensed institutions, propose measures to improve the VT system, etc.

The public VT institutions are non for profit entities under MoLSAEO with the mission to offer vocational training and professional counselling in order to help employment. The VT institutions are managed by the VTC Management Council and Director. The Management Council is composed by 4-6 members who are representatives of employment offices, local government, Chamber of Commerce and employers proposed by respective institutions and approved by the Minister of Labour. The private VT institutions are for profit entities that offer specialized training courses with a maximum duration of 2 years. The private VT entities can exercise their training activities after being licensed by the National Licensing Center (NLC). Their activity is periodically monitored by the NES and MoLSAEO in terms of compliance with the minimum professional standards and conditions to develop their activity.

### 3.3.2 Legislation Framework for Vocational Training & R/E communities

The Law on Employment Promotion no. 7995, date 20.09.1995 partially modified by Law No. 8862, date 7.03.2002 and by Law No. 9570, date 3.07.2006, is the basic law on employment in Albania. VT and on the job training are considered as main ways for promoting employment of job seekers and young adults. According to the Law the VT system must not lead to social exclusion, it should be supportive for vulnerable groups and therefore the distribution mechanisms of subsidies must allow target group oriented financing<sup>12</sup> under special conditions. The MoLSAEO and the MoES are in charge bodies by the laws to work out directives to support the development of guidance services.

The Law stipulates that VT is a service not only for the unemployed jobseekers, but also for the employers and it is implemented through courses or participation in working processes. The Law allows the stimulation of enterprises by employment offices through subsidizing or crediting their activities in order to provide VT for the unemployed. Also, the Law envisages

---

<sup>12</sup> For instance registered unemployed, repatriated, handicapped, female vulnerable of trafficking, Roma long term unemployed etc.



that special groups in need pay differentiated training fees or be provided with free of charge training services.

There are 10 public VTC located in 8 Regions (Tirane, Shkoder, Elbasan, Korce, Durres, Vlore, Fier and Gjirokaster) in which the total number of trained persons in 2011 was 8,531 out of who 8,485 received a certificate. Please note that there is no public VTC in Berat.

The overall amount of funds for the NES activity during the last ten years has been decreased by 36%. This has contributed to a decreased value of allocated funds for 2 main programs, namely the “Unemployment benefit” and the “Employment Promotion” programs (by respectively 36% and 82%), but an increase to the allocated funds to the vocational training by 4 times. During 2011, the employment and vocational training centres provided services to 217 Roma persons compared to 73 Roma in 2007.<sup>13</sup>

Table 3.1: Trained persons in Public VTC, 2001-2011<sup>14</sup>

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Korçe	700	596	874	1078	796	321	907	633	693	695	648
Vlore	842	710	827	849	845	878	972	1051	953	1187	924

Table 3.2 Trained Roma<sup>15</sup>

	2011	2012
Public VET Korce	0	11
Public VET Vlore	0	21

<sup>13</sup> NSDI 2013-2020

<sup>14</sup> NES Yearly Bulletin, 2011

<sup>15</sup> NES Bulletin 2011, Questionnaire SSIREC 2013

Table 3.3: Typology of courses offered by the public VET and total certified no. of Trainees according to courses and centres<sup>16</sup>

<b>Courses</b>	<b>Vlora</b>	<b>Korca</b>
Auto service	5	
Foreign language	372	437
Plummer	60	15
Installer and repairer of electricity networks	39	14
Cooker-waiter	51	25
Sun panel		15
Hairdressing and esthetic	72	
Computers	255	114
Carpenter		13
Electro domestic repair		40
Sewer	29	15
Welding	41	
Others	0	0
<b>Total</b>	<b>924</b>	<b>648</b>

Hairdressing, foreign languages and computer courses are the most preferred programs in each of the cities.

The R/E community especially in Berat, where the fasson industry is still an important potential employer of the R/E community, stated that promotion campaigns on the vacancies of the private sectors liaising with Employment Office (EO) and more generally on the employment promotion programmes of the EO, should be more frequent and should target the R/E community through specific communication tools (doors to doors, meetings with the community etc.). Employment after professional courses remains very weak in all the three regions. Only in Vlora, 2 out of 21 R/E that attended the courses in 2012, have been employed after following the courses. Also formal tools of tracking employment development a of public VET attendee after attendance is reported by the EO to be inexistent. The EO stated that they do not have tools and/or financial means for follow

<sup>16</sup> Vocational Training Providers in Albania, L.Rama

up and further supporting the VT attendee to enter the labour market.

Regarding the VT, there is no public school in Berat. The R/E community requested that the public EO should orient and support the qualification demand (those R/E coming to the EO and seeking a job, but lacking professional skills) to the private VET centers. The later should further liaison with NFP organizations and other donors for financial support for this contingent.

The most renowned VTC is the Professional High School “Stiljano Bandilli” (supported also by Swiss Contact) offering different professional curricula. R/E community in Berat stated that specific free seasonal courses could be activated in this school in order for the interested R/E individuals to attend. This can be achieved through specific approval of curricula from MoES.


Most of the businesses that come and interact with EO do this mainly because of the legal obligation to employment declaration and in very few cases in order to recruit staff through EO. Level of cooperation with EO with regard the employment programmes is very low and mainly supported by international organizations.

There are several private VTC in the three regions offering various courses for the population. Private VTC do sometimes interact with various international programme sand initiatives, so that the later could cover the fee expenses for the R/E community willing to attend but that have no mean for paying the participation costs. Mediation services with private sector are offered also by private VET centers.

Table 3.4 The distribution of private VTP according to cities and the offered courses<sup>17</sup>

	No. of private VTP	Main courses offered in private VTP
Berat	5	Hairdresser, Foreign languages, tailoring, etc
Korca	6	Children's rights education, foreign languages and computer, hairdressing, tailoring
Vlore	12	Foreign language and computer, Hairdresser , electrician, mechanic, installations etc.

<sup>17</sup> Questionnaire SSIREC; Vocational Training Providers in Albania, L.Rama



It has to be noted the high frequency of hairdresser courses. Coupled with the restrained choice for other skills, this brings into focus the problematic of disjunction between the VTS offers and the demand of labour market in general and not only for the RE communities.

## 4. ROMA AND EGYPTIAN SELF-EMPLOYMENT AND ENTREPRENEURSHIP

During the transition, many R/E had difficulty in adapting to the new demands of the labor market because they lacked many of the required educational and vocational qualifications and expertise. They have now the opportunity to be engaged in several forms of formal and informal labour. Formal employment of RE is dominated by subsistence agriculture – for resident rural communities - due to the very small plots of land, lack of infrastructure and irrigation and high maintenance costs. In addition, many Roma families have not gained any benefit from the distribution of land ownership following the land reform during the early 1990s.

The used clothes business is also a major income source for many Roma families. Informal short-term employment is dominated by casual or temporary work, in lowly paid, manual & non-qualified work with low added value, such as construction, basket weaving, metalwork, or horse dealing. Many Roma collect scrap metal and this constitutes in most cases the only source of income for their families. Informality is dominant in all sectors of their activity. They don't pay taxes and so they don't have social security for this work. Artisan activity is also very frequent in the Roma community. Tradition is somehow preserved, but lack of raw materials, clients and spaces for trade are negatively affecting the activity. Roma traders are selling their products in abusive spaces, in most of the cases on the streets. This category lack any form of recognition from local or central authorities. As such, no policy measure is specifically drafted for the integration of this category into the formal activity sector.

Given the inexistence of labour market statistics data on employment rate, participation rate or unemployment rate for Roma and Egyptian Community members, this part of the study will assess and give highlights on the current situation through reporting the results and data gathered from the Questionnaires and the Focus Groups.

### 4.1 Roma self-employment and entrepreneurship

According to the World Bank definition, individuals are classified as self-employed according to a broad definition that includes non-registered businesses. In particular, people are considered self-employed if they are members of producers' cooperatives, individuals

working in family businesses, as well as those reported to be working on their own account or as employers.

Based on that definition, the vast majority of self-employed R/E are self-employed, but there are also a substantial proportion of R/E businesses with additional employees. At the same time, there are also Roma businesses with additional employees, especially in the form of family businesses.

Table 4.1 Type of businesses among self-employed R/E in the three regions<sup>18</sup>

Self-employed on own account	80%
Employer	45%
Member of producers' cooperative	45%
Work in family business	80%

Self-employed R/E mostly work in agriculture, artisan and trade. A substantial share of these businesses operated by R/E in Vlora can be found in trade, construction, in the agricultural sector and in artisan activities (ironworking, tailoring; woodworking, needle). By contrast, R/E in Korca R/E are mostly self-employed in Artizan activities (pottery, plastic, carpet, needle, straw, clay, and knitting) and agriculture. R/E in Berat are mostly self-employed in trade, industry and artisan activities (straw, woodworking, tailoring).

## 4.2 Interest in becoming Self-employed and starting a business

Generally, most of working age R/E are interested in becoming self-employed and starting a business. However they are not aware of the complexities regarding the administrative and financial components of running a business. This excludes individuals already in self-employment (broadly defined, a majority of whom operate informal enterprises). Hence, there are substantial groups of R/E who could potentially be assisted in realizing their business start-up aims. This section examines the barriers facing those R/E wishing to start their own businesses.

Roma interested in starting a business or those already running a business are employed, unemployed, and not participating in the labor force.

<sup>18</sup> Questionnaire SSIREC 2013

Table 4.2 Employment status among R/E interested in starting a business in the three regions<sup>19</sup>

Employed	18%
Unemployed	64%
Out of the labor force	18%

### 4.3 Barriers to business start-ups

Most of the Self-employed R/E, existing or potential entrepreneurs report experiencing difficulties when starting and operating a business especially lack of finance. The main problems are reported in the below table:

Table 4.3 Main problems in starting a business among R/E (%)<sup>20</sup>

Lack of finance	84
Lack of business skills	38
Lack of job specific skills	38
Household/family duties	30
Problems obtaining power or water	23
Lack of raw material	23
Unable to work (disability, age)	23
Taxation	7
Lack of customers	7
Lack of adequate labor	0

In the operating phase, lack of finance, lack of business skills and household/family duties stand out as the greatest challenges. As the table below indicates, the responses are more concentrated in the operating phase.

<sup>19</sup> Questionnaire SSIREC 2013

<sup>20</sup> Questionnaire SSIREC 2013

Table 4.4 Main problems operating a business among R/E (%)<sup>21</sup>

Lack of finance	76
Lack of business skills	38
Household/family duties	38
Problems obtaining power or water	23
Lack of raw material	23
Taxation	15
Lack of customers	7
Lack of adequate labor	7
Unable to work (disability, age)	7

In the operating phase, lack of finance, lack of business skills and household/family duties stand out as the greatest challenges.

#### 4.4 Accessing Microcredit

A significant percentage of R/E borrows money, with more than 85 % of the loans provided by formal financial providers. The table below shows that informal providers still remain important borrowing sources for the community.

Table 4.5 Sources of credit among R/E (%)<sup>22</sup>

Formal Provider (Banks, microcredit institutions, gov. aid, etc)	85
Informal Provider (savings, friends, relatives, etc)	23
Other	7

The average amount of credit disbursed to Roma households varies from 150.000 to 800.000 ALL (1.070, 00 EUR to 5.700,00 EUR). The average amount remains far below 25,000 Euro, which is the threshold commonly used to define ‘microloans’. The European Commission defines microcredit as “a loan of up to EUR 25,000 for business initiatives, from

<sup>21</sup> Questionnaire SSIREC 2013

<sup>22</sup> Questionnaire SSIREC 2013



any institution whose purpose includes lending smaller amounts”, to micro-entrepreneurs, employees who wish to become self-employed, to people working in the informal economy and to the unemployed and others living in poverty who are not considered bankable.

Table 4.6 Summary of barriers for potential R/E (%)<sup>23</sup>

Not clear/ credible/ feasible business plan	55
Proof of regular income	55
Education level	45
Collateral	36
Limited knowledge in business and finance	27
Work experience	18
Personal identification	18
Other	9

Potential R/E entrepreneurs face substantial barriers applying for a loan, including not clear/ credible/ feasible business plan, proof of regular income, low levels of education, and limited availability of collateral. Potential R/E entrepreneurs feel to be unable to meet collateral requirements set by microfinance providers. They are unable to provide proof of income due to informality or proof of stable income stream because have temporary job. In all the three regions, it seems that microcredit is provided to established businesses, particularly by commercial banks, and generally beyond the reach of the average poor R/E micro-entrepreneur seeking start-up funds. Despite the crediting crisis and the abovementioned problems, Microcredit to R/E community is providing first results. One of the Private microcredit institutions in Berat attending the workshop reported to have an active portfolio of 955 clients, where 20% belongs to R/E. Most of the Microcredit institutions report that they do not have specific micro crediting programmes targeting the businesses plans of the R/E community, because they treat the R/E community equally to the rest of the population. Below there is table providing the list of the main micro crediting institutions being more active in the three regions.

<sup>23</sup> Questionnaire SSIREC 2013

Table 4.7 Microcredit Institutions

KORCA	BERAT	VLORA
Fondacioni Tabita	Procredit	AULEDA
Fondacioni BESA	Fondi Besa	NOA
Vision Fund	FAF Sha	Unioni Shqiptar “Kursim & Kredi”
NOA	Unioni Shqiptar “Kursim & Kredi”	FAF Sha
Unioni Shqiptar “Kursim & Kredi”	NOA	Procredit
FAF Sha		
Procredit		

Training needs of R/E potential and existing entrepreneurs seem to be very practical and directly related to the “job” at hand. Business skills to be developed could be market research and marketing, how to deal with loans and credits, guarantees for loans, ways to reimburse in money, administration.

An alternative solution given the high cost and the complexity of such skills can be their sub-contracting through externalization. R/E businesses can be offered back-office services covering market research and marketing, how to deal with loans and credits, guarantees for loans, ways to reimburse in money, administration.

Furthermore, in Vlora it emerged the necessity of developing specific professional skills; i.e specific skills related to cultivation culture, farming, and legislation on insurances in the sector of agriculture.

Table 4.8 Trainings needs of potential and existing R/E entrepreneurs

	KORCA	BERAT	VLORA
Business planning		✓	✓
Business management		✓	✓
Fiscal legislation		✓	✓
Financial management		✓	✓
Marketing	✓	✓	✓
Other	Specific artisan courses		Trainings on cultivation culture, farming, legislation on insurances in the sector of agriculture

## 5. SOCIAL INCLUSION IN ALBANIA: FUTURE PUBLIC ACTION TRENDS

### 5.1 National strategic framework on social inclusion

In 2003, the Government of Albania (GoA) drafted the Strategy for the economic and social integration of the Roma community (GoA, 2003). Moreover, in 2008 Albania became also part of the Decade of Roma Inclusion (2005 – 2015). The protection of Roma Rights and the Monitoring of the objectives of the National Strategy and National Action Plan for the Decade of Roma Inclusion 2010-2015 remain the two main action pillars of Albania toward accession in the EU.

At present, two national strategies guide the Albanian government in the field of social inclusion: (i) the National Strategy for Social Inclusion 2007 – 2013 and (ii) the National Strategy for Social Protection 2007 – 2013. The Strategy for Social Inclusion has often been referred to as a cross-cutting strategy assigning responsibilities and requiring actions from many sectors and ministries. It combines those elements of sector strategies that can be considered fostering inclusion of people or groups of people at risk. The Strategy on Social Protection is mainly concerned with social transfers and provision of social care services.

How will the new National Strategy for Development and Integration 2013-2020 affect the R/E community?

The strategy highlights that during 2011, the employment and vocational training centres provided services to 217 Roma persons compared to 73 Roma in 2007. However, the future challenges in this sector includes among others the increase of participation of vulnerable groups in the labour market. As such, the priority of the new strategy is:

Improve social inclusion, access to basic services and opportunities for marginalized individuals and groups and persons with disabilities to generate income:

- Introduce specialized programmes that facilitate access to the labour market and increase job opportunities;

- Implement Social Business projects, especially in the poorest and disadvantaged areas;
- Provide specialized education and training programmes;
- Provide opportunities for the pursuit of compulsory and secondary education (general and vocational), for those who have passed the age of compulsory education without completing it. Extend psychological services particularly to schools with Roma and Egyptian children and pupils at risk of dropout;

## 5.2 Foreign assistance in Albania for Social Inclusion

Up to now, total allocation for 2011-2012 is registered to 76 € Million Euro committed to new projects within the Social and Economic Development Pillar of NSDI 2007-2013. This strategic priority receives 12% of the total amount of foreign assistance for 2011-2012 and 8% is planned for 2013. More specifically, social inclusion, education and Employment together receive over 85% of foreign assistance for 2011. While 84% are actual and planned commitments only for Social Inclusion sector in 2012. Donors like EC (IPA), Sweden, Switzerland, World Bank, etc. supported about 50 projects in 2011-2012, both grants and loans.

## 5.3 Social inclusion in the upcoming IPA II (2014-2020)

Since 2007, Albania has benefited from the first two components of IPA funds that support mainly institutional building of state institutions, rule of law and increasing the capacity of the public administration. The IPA IV Component is dedicated to the human resource development in the Western Balkans countries and Turkey, through improving human capital through education and training, employment and social inclusion. This component will prepare Albania, after being granted the Candidate Status from the EU, to benefit cohesion and structural funds after accession. Based on the European Employment Strategy and the

Europe 2020 Strategy, the priority axes of human resources development are:

- Attracting and retaining more people in the labor market;
- Improving flexibility and adaptability of workers and enterprises through education

- Strengthening social inclusion through the integration of disadvantaged people in the labor market.

Employment and Social Inclusion sector is part of the preparations of IPA Component IV. Currently, Albania has adopted the legal framework for the establishment of structures for implementing components III and IV. Their programming starts with the design of the Strategic Coherence Framework (SCF) and Operational Programmes (OP) based on COM NO. 50 515, which along with strategic documents also refer to a series of sectoral strategies (such as: Strategy for 2007-2013 Employment and Vocational Training, Higher Education Strategy 2008-2013 and the Strategy of Pre-University from 2009 to 2013).

For Albania, Social Development is one of the six sectors defined in the MIPD. The Operational Programme of Human Resources Development addresses issues relating to social inclusion, employment and vocational education and training which in general are consistent with the priorities of IPA IV.

The IPA IV component will address the key issues of labour market improvements and VET. Respectively these will focus on access to employment and social inclusion in the labour market.

The beneficiaries of IPA Component IV in comparison to the first two IPA components beneficiaries are several and can be companies or institutions which provide services related to human resources management, NGOs, institutes for career guidance, regional employment offices, non-profit organizations, public institutions, employers' associations and unions, Chamber of Commerces and local and regional self-government units.

Since the consultation process on the definition of the priorities under this Component has finished, it remains crucial the preparation of these structures and organizations to absorb the IPA funds. Weak institutional capacity, insufficient experience of the private sector and the lack of appropriate training for them, are some of the situations where action is needed in the form of informing and training the beneficiaries on group IV IPA funds, application procedures, tendering and monitoring, principles of cofinancing, etc.

## 6. RECOMMENDATIONS

This section describes the suggestions and recommendations for the implementation phase of the Job promotion for R/E Communities Work Package (WP) of SSIREC project. As the situation on the ground is very diverse according to the location and target subgroup, flexibility should drive the implementation of this WP. The project should combine financial and non-financial services to the R/E individuals, focus on women and youth subgroups with a strong sense of entrepreneurship initiative. The project may treat each region target group separately, based on the regional characteristics of the regional context, self-employment sectors, profile of the R/E community.

The main recommendations can be divided in the following categories:

### A. Practical Recommendations

#### 1. Support with, a) professional and, b) administrative & business services

Training and coaching within the WP4 of the SSIREC project should be very practical and directly related to the “job” at hand. VET has to be considered functional to market needs and to the profile of potential R/E beneficiaries. Besides the traditional curricula licensed and offered by the VTC, specific training programmes and support based on the findings of this report can be designed and implement jointly with local VTC, being them public or private. In Berat private VTC shall be the VET provider for the selected individuals, since there is no Public VTC in this Region. VET centres having former experience in mediating services with RE should be treated in priority. The content of these trainings will depend on the kind of self-employment sector or business of the individual. Examples of trainings: development of specific skills related to veterinary, agriculture, fishing, olive oil production, legislation on insurances in the sector of agriculture.

Additional support shall be provided to R/E self-employed individuals and businesses, through 1/3rd party entities that offer back-office services (administration, business development, etc) such as:

- Business development training;

- Business planning and management, assistance on business registration (marketing, how to deal with contracts, how to deal with loans and credits, guarantees for loans, ways to reimburse in money, etc);
- Administrative and legal assistance (tax administration, employment office, etc...) for existing R/E business.

Furthermore, one innovative action of this project could be offering, besides the normal curricula demanded by the R/E community, a tailored “Business start –up” coaching programme. This technique can be designed and adapted to R/E communities’ type of artisan activities and self-employment businesses (community farming and business activities) by the regional VTCs that do know better the regional economic and institutional context. Instead of teaching ex-cathedra to them, the coach can provide advisory services regarding the structure the business idea, analyze the market potentiality, financial and non-financial resources and their mobilization, business plan, local taxes and legal obligations, etc.

In evidenced cases support to participation costs (fee for courses not offered for free, transportations costs for beneficiaries living outside the cities where the VT is located) can be granted to the R/E individuals.

Gender balance is suggested in all the types of support the project will grant.

The project also foresees support for regularizing/registering already running R/E businesses. From the in-field survey, the perception registered is that paradoxically most of R/E businesses are economically viable because they are not registered. According to their point of view, the registration of their business would bring additional administrative (including taxes & insurance) costs so the business will not be economically advantageous anymore. On top of carrying a proper cost, the registration process means the business becomes “visible” to Tax authorities, and automatically kick in different taxes such as income tax, social security, etc that should be paid every month. Moreover, automatically the individual becomes not eligible to social benefit of unemployment. For the abovementioned reasons, business registration support appears to the eyes of RE entrepreneurs as entailing administrative and financial costs. As such it creates the impression that in the current conditions, it may not be sustainable and probably will not be embraced by the R/E community. However,

support with registration legislation and procedures should be provided mainly focused on bigger businesses that have a turnover size that requires “officialisation” and supports its costs.

The provision of financial services covering cost of initial supplies may be indicatively oriented in following sectors:

Region	Territorial specificity	Support grant scheme
Korca	Support of Artisan activities, self-employment in agriculture	Machineries used in pottery, plastic, carpet, needle, straw, clay, and knitting; online marketing for products; Machineries used in veterinary, agriculture, fishing, olive oil production.
Vlora	Self-employment in agriculture	Machineries used in veterinary, agriculture, fishing, olive oil production.
Berat	Artisan	Machineries used for main artisan specialties: straw, woodworking, tailoring

## 2. Supporting the Employment Offices and R/E community with awareness campaign promoting employment

Continuing with the awareness activities could only be of benefit for the R/E community by maintaining the information flux and even increase it on the advantages of registering as a job seeker including how it affects indirect benefits such as social aid benefits and healthcare.

During year 2010, MOLSAEO organized two awareness campaigns on the opportunities and benefits of the governmental employment programs, targeting unemployed Roma individuals. Roma community, during these activities was informed on registration procedures at the local employment office, getting the “unemployment” status and then to have possibilities to be provided the services for this target group.<sup>24</sup>

An additional positive impact that the project could produce, could be the support to the

<sup>24</sup> Decade of Roma Inclusion 2010 Progress Report - Albania



EO in reaching the RE group more effectively, by informing them about the employment services adapted to their particular needs, and facilitate their registration for being eligible for these services. So to enhance the gap of flow information between the local EO to the R/E community, SSIREC can support a targeted awareness campaign in each of the three regions.

The project should also involve the Community Centers already established and functioning as mediators between the local institutions and the community. These centers can distribute and hone in the information regarding employment opportunities from the EO to the R/E community.

## B. Policy making Recommendations

### **1. Formulate entrepreneurship incentives adapted to the profile of newly registered R/E businesses, in the local level**

The project should consider formulating innovative initiatives that promote the establishment of enterprises of R/E entrepreneurs. Exemption from local taxes for the first 2 years will encourage registration of informal activities and encourage the creation of new ones. The example to follow is Bucimas Commune in Pogradec which has adopted such decision. Legal and budget provision bases for such measure should be promoted and assessed properly with the LGU concerned.

### **2. Prepare an action plan for the integration of scrap & waste R/E initiatives in the local solid waste management strategy**

Many Roma in all regions collect scrap metal, but in an “un-organized and ad-hoc way. On top of non being officialised, they work in very difficult conditions filled with health hasards, for a minimum of income, are not properly organized and integrated in the waste collection and treatment business, and have no long term prospects. The problem is becoming highly visible to the public attention as well as EU and other international partners.

Officialisation and optimization of the scrap metal collection as a properly organized business activity, and definition of local or national policy measures supporting efficient business & employment practices in the sector, may be assessed under this project. The

goal would be to enhance the working and business practice in this sector – by specially targeting individuals RE – towards their integration in more efficient, with better conditions and higher added value activities.

The second component of this action plan would be to encourage municipalities to actively pursue local informal sector integration. Municipalities play a critical role in the integration process as they are generally the official providers of waste management services. The creation of linkages between informal sector initiatives, municipal departments and decision makers and the alignment of their activities is therefore highly recommended.

Specifically, municipalities can promote informal sector integration in various ways. They can:

- Recognise the Roma waste pickers as important actors in the recycling chain;
- Recognise and provide incentives for the informal waste sector through excise, tax and other concessions;
- Create a clear legal and policy framework for informal waste sector integration;
- Reserve metal scrap collection for small informal waste collection Roma enterprises;

## Legal framework

The legal basis for informal sector integration is crucial to its implementation. The adaptation of laws, orders and regulations to the requirements of a successful integration process paves the way for further developments. In the process, various aspects have to be taken into account, the diverse stakeholders have to be addressed and existing framework conditions have to be acknowledged.

SSIREC can analyse the national laws on waste management as well as the local decisions taken by the target LG. The next step would be to identify ways of adapting them to the profile of R/E all by respecting the will of legislators.

## C. Strategic Recommendations

### 1. Benefiting from Cross border cooperation EU Programmes

Two of the regions target of this study are participating to the current IPA Crossborder Cooperation Programmes funded by the EU under component IPA II. More specifically, Korca Region is participating to the EU funded programmes IPA CBC Greece-Albania and IPA CBC Fyrom-Albania. Vlora Region is participating to the IPA CBC Greece-Albania and IPA Adriatic CBC Programme. All not for profit entities – public or not – can participate in those calls.

Moreover R/E organisations, are also encouraged to participate to other EU budget lines, such as Civil Society Facility, EIDHR calls for proposals, that promote social inclusion of vulnerable groups, are also eligible to the abovementioned CBC programmes and not only to specific budget lines targeting RE community.

These programmes, their priorities, funding, partnerships rules and ways of cooperation, should be introduced to the R/E organisations and to their partners to bring the R/E entrepreneur community and their representative organizations closer to EU assistance schemes and other capacity building initiatives. Joint cooperation projects among artisan R/E organisations may be prioritized in order to promote the values, traditions and products in neighbouring regions and gaining best marketing practices from more advanced experiences.

### 2. Pre-identification of the IPA IV potential implementing bodies

In order for UNDP to be prepared for the upcoming Social Inclusion sub-component under IPA IV component, it is recommended to start identifying those organizations and other potential actors that will be the target beneficiaries of IPA IV Human Resources development component. UNDP is dealing with social inclusion of the vulnerable groups since a decade now and its experience at national and regional level in Albania is unique. Under this project, structured cooperation with the regional organizations working on social inclusion can be envisaged under the highlights and priorities of the new upcoming IPA IV component 2014-2020.

## Implementation modalities

The project may consider establishing partnerships with private and public VET, as well as other regional development agencies and/or institutions. Organisations that possess high regional level of networking and know how on the R/E should be prioritized. Furthermore, private VET/service providers' centres offering employment mediating services and having several years of professional experience with the disadvantaged groups in the regions.

In order for the project to reach the proper targets, a Monitoring and Recalibration Strategy should be designed by the Project and semestrial monitoring fiches should be prepared. These should be filled in for each subcomponent of the services that will be provided in order to monitor the performance of the individuals' that will benefit from the project activities under WP 4

## 7. BIBLIOGRAPHY

- CEDEFOP, Empowering vulnerable adults to tackle labour market challenges, 2013.
- DSDC, Analysis of foreign assistance performance, 2012.
- GoA, Plani i veprimeve per zbatimin e Strategjise Sektoriale te Punesimit, 2007 – 2013 GoA, Vocational Education Training and Lifelong Learning (2013-2020), 2012.
- GoA, Decade of Roma Inclusion 2010 Progress Report – Albania, 2010.
- GoA, National Strategy for Development and Integration 2013-2020, Draft April 2013.
- HDPC, ILO, Data Collection on Vulnerable Groups at Risk of Labour Market Exclusion, Tirana, November 2012.
- HDPC, Roma Active Albania, Civil Society Monitoring Report on the Implementation of the National Roma Integration Strategy and Decade Action Plan in 2012 in Albania.
- INSTAT, Population and Housing Census 2011.
- NES, <http://kerkojpune.gov.al/>
- ISSH, <http://www.isssh.gov.al/>
- OSFA, Factors affecting Roma integration in Albania, A comparative study, 2012.
- Pakiv, European Roma Fund, Access to Employment and income opportunities: approaches and methods among Roma and other disadvantaged groups, 2006.
- Panzica F, Cabiri Y., Addressing Social Inclusion through Vocational Education and Training: Good practices in the integration of marginalized groups in the labour market, 2012.
- Rama L., Vocational Training Providers in Albania, 2012.
- Roma Education Fund, Country Assessment: Albania, 2011.
- Spolu International Foundation and its partners, Income generating activities to promote entrepreneurship among Roma in Central and Eastern Europe, 2004.
- Stephan Müller and Zeljko Jovanovic, Pathways to Progress, The EU and Roma Inclusion in the Western Balkans. ILO, Skills Analysis, 2012.
- The World Bank, Reducing vulnerability and promoting the self-employment of Roma in Eastern Europe through Financial Inclusion, 2012.
- UNDP, The Social Vulnerability of Roma in Albania, 2006.
- UNDP, A needs assessment study on Roma and Egyptian communities in Albania, February 2012.
- UNDP, Supporting Social Inclusion of Roma and Egyptian Communities, SSIREC, 2012.







EUROPEAN UNION



Empowered lives.  
Resilient nations.

**Needs Assessment of  
Roma and Egyptian individuals  
on employment and  
entrepreneurship  
in the regions of Korca, Berat and Vlora**

Prepared by: Krisela Hackaj

