



*Empowered lives.  
Resilient nations.*

# United Nations Development Programme

## Active Labour Market Programmes 2



## **Project Annual Report 2018**

(January – December 2018)

Prepared for Project Board Members

**January 2019**

## **Project Card**

**Project Title:** Active Labour Market Programmes 2

**Main Objective:**

Active Labour Market Programmes 2 (ALMP2) is a multi-year project, designed together with the Ministry of Labour and Social Welfare (MLSW) in line with the strategic priorities as outlined in the Sector Strategy 2014 – 2020 of the MLSW. The project is implemented together with the Ministry of Labour and Social Welfare as the main project partner and is financed by the Ministry of Labour and Social Welfare (MLSW), the Ministry of Internal Affairs (MIA) and the United Nations Development Programme (UNDP), building on the generous investment of the MFA of Finland. In the beginning of 2016, the Ministry of Internal Affairs approved the second phase of the joint UNDP/MLSW project component on reintegration of repatriated persons, utilizing the collaboration platforms established by ALMP. During 2018 UNDP has signed new partnership project on reintegration of repatriated persons for the implementation of the project during period of 2019-2021 since the competences for reintegration of repatriated persons are transferred from MIA to MLSW.

Through a comprehensive and scaled-up approach, the overall goal of the intervention is to build-up on joint achievements in addressing Kosovo's labour market challenges, as well as to pave the way for long-term and sustainable local mechanisms that are capable to address such challenges on their own. The projects' main objective is to improve the capacities of the labour market institutions to design relevant gender responsive policies at central level and to deliver integrated services at local level, focusing on the most vulnerable groups among the unemployed. In 2018, the project focused on two outputs, with the third one (*Through identifying feasible ways for Kosovo to establish an Employment Fund, in order to ensure sustainability in the financing and implementation of active employment measures*) already finalized:

1. Improving the human resource capacities and provision of continued direct implementation of active labour market measures for vulnerable groups – with a particular focus on youth and women – and further technical support for the capacities of implementing institutions.
2. The enhancement of the labour market knowledge base in order to ensure evidence-based decision making among labour-market actors.

**Start/end dates of the project:** March 2014 - December 2021

**Main Project Partner(s):** Ministry of Labour and Social Welfare (MLSW), Regional and Municipal Employment Offices, Vocational Training Centres (VTC), Ministry of Internal Affairs (MIA), Municipal Offices for Communities and Returns (MOCR), Municipalities, Private Sector Enterprises, Civil Society Organizations (CSO's), Ministry of Education, Science and Technology (MEST), Ministry of Trade and Industry (MTI), Kosovo Agency for Statistics (KAS), other labour market institutions, Regional Development Agencies (RDA), Business Associations (BA)

**Partner projects:** SDC-funded Enhancing Youth Employment project (EYE), EC-funded project Enhancing Employability for Vulnerable Groups (EEVG-finished), World Bank projects, GIZ projects, Aligning Education with Labour Market Needs (ALLED) project, EC-funded KOSVET 6 project (finished) and others.

**Donors:**

Ministry for Foreign Affairs of Finland: 1,200,000 euro

Ministry of Labour and Social Welfare: 1,733,000 euro

Ministry of Internal Affairs (Employment and training project 2016-2018): 1,682,083 euro

Ministry of internal Affairs (Self-Employment Program): 1,011,000 euro

United Nations Development Programme: 312,500 euro

The Government of the United Kingdom: 68,000 euro

**Total Project Budget: 6,006,583 euro**

Expected Outputs	Project Indicator(s)/Baseline/ Targets/Status 2018
1. Vulnerable youth across Kosovo – with a particular focus on women – receive integrated employment services	<p>New indicators 2016 – 2018 (reintegration phase 2)</p> <p><b>Indicator 4:</b> Number of readmitted jobseekers benefiting from almps  <b>Baseline 4:</b> 527 readmitted benefited from almps (2012-2015)  <b>Target 4:</b> At least 910 additional readmitted persons benefit from almps  <b>Status 2018:</b> 1,240 additional repatriated persons benefited from almps (2017-2018)</p> <p><b>Indicator 5:</b> % of readmitted women benefiting from almps  <b>Baseline 5:</b> 19% of almps beneficiaries are readmitted women (2012-2015)  <b>Target 5:</b> At least 25% of almp beneficiaries are readmitted women  <b>Status 2018:</b> 26% of almp beneficiaries are readmitted women</p> <p><b>Indicator 6:</b> % of readmitted from non-majority communities benefiting from almps  <b>Baseline 6:</b> 35% of almps beneficiaries are readmitted from non-majority communities  <b>Target 6:</b> At least 40% of beneficiaries are readmitted non-majority communities  <b>Status 2018:</b> 15% of beneficiaries are readmitted non-majority communities</p>
2. Enhanced knowledge base on labour market leading to evidence-based gender sensitive decision making	<p><b>Indicator 1:</b> Number of policy analysis and briefs produced  <b>Baseline 1:</b> Limited number of policy analysis and briefs developed on the labour market supply and demand  <b>Target 1:</b> At least 6 policy analysis and briefs are produced  <b>Status 2018:</b> 2nd International conference organized, Scientific Journal Published, LMIS Launched. (Status 2017: Two policy reports published)</p>
3. Feasible modalities to establish an Employment Fund are developed (finalized)	<p><b>Indicator 1:</b> Feasibility study is developed by 2017  <b>Baseline 1:</b> There are no proposed modalities in place for establishment of an Employment Fund  <b>Target 1:</b> The feasibility study including proposed modalities implementable in Kosovo is developed and endorsed by the relevant institution  <b>Status 2017:</b> The feasibility study proposed to the Kosovo institutions (No change in 2018)</p>

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## Acronyms

ALLED	Aligning Education with Labour Market Needs project
ALMP	UNDP's Active Labour Market Programmes project
DLE	Department of Labour and Employment at the MLSW
EA	Employment Agency
EO	Employment Offices
EU	European Union
EMIS	Employment Management Information System
EYE	SDC-funded Enhancing Youth Employment project
EA	Employment Agency
HDR	Human Development Report
HR	Human Resources
ILO	International Labour Organization
ISCO	International Standard Classification of Occupations
ITF	Internal Training Framework
KAS	Kosovo Agency of Statistics
MEST	Ministry of Education, Science and Technology
MIA	Ministry of Internal Affairs
MLSW	Ministry of Labour and Social Welfare
MOCR	Municipal Offices for Communities and Returns
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
RDA	Regional Development Agency
OG	Operational Guidelines
OJT	On-the-Job Training Programme
PES	Public Employment Services
PMF	Performance Management Framework
SDC	Swiss Development Cooperation
SEP	Self-Employment Programme
UNDP	United Nations Development Programme
WB	World Bank
WS	Wage Subsidy Programme
LCS	Labour Cost Survey
MOCR	Municipal office for returns and communities

# Part A

## (1.a) Executive Summary

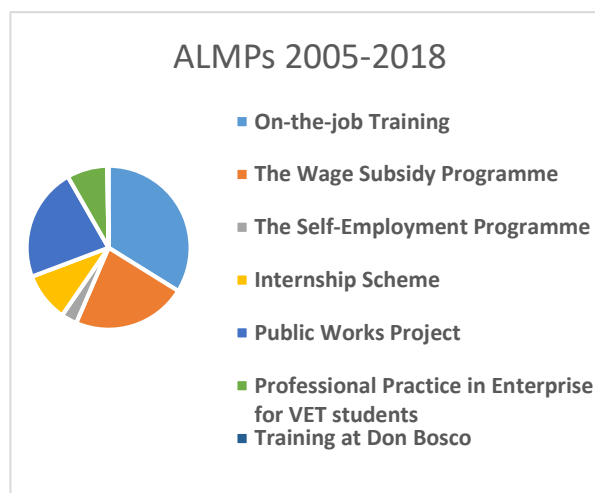
- *Introduction*

Active Labour Market Programmes 2 project (ALMP2) is the second phase of UNDP’s employment programme implemented since 2005 in close cooperation with the Ministry of Labour and Social Welfare (MLSW), other labour market relevant institutions and private sector.

The project is fully in line with and contributes to strategic priorities of MLSW and addresses the key development challenge in Kosovo, unemployment. The project’s main component, along with the institutional capacity development, is employment promotion and skills development of young women and men, **with 14,224 women and men having been part of one of several active labour market programmes implemented in the last decade and more.**

In the recent years, the project has evolved to respond to another critical challenge in Kosovo’s sustainable development: sustainable reintegration of repatriated people that come back to Kosovo from abroad often to restart their lives here. In this regard, the project collaborates effectively with the Ministry of Internal Affairs, the Ministry of Labour and Social Welfare, the Employment Agency and other partners across Kosovo to ensure adequate and sustainable service provision to repatriated in the field of employment, skills development, and self-employment.

	No. of beneficiaries	
	2005-17	2018
<b>On-the-job Training</b>	4,573	243
<b>The Wage Subsidy Programme</b>	2,926	292
<b>The Self-Employment Programme</b>	82	360
<b>Internship Scheme</b>	1,376	0
<b>Public Works Project</b>	3,194	0
<b>Professional Practice in Enterprise for VET students</b>	1,138	0
<b>Training at Don Bosco</b>	40	0
<b>Total</b>	<b>13,329</b>	<b>895</b>



- *Summary of results*

ALMP is working in three main intervention areas, namely supporting the labour market institutions develop and strengthen their capacities in policy-making, operational and business processes; direct support to the job-seekers and private sector companies to increase the employability and job creation; enhancing the quality and

availability of reliable data to create the space for evidence-based policy making; and ensuring the sustainability of active labour market measures through feasible financing mechanisms.

During 2018, ALMP2 has achieved the following results:

### **Reform and Modernization of Public Employment Services**

- The EA and its staff throughout the Employment Offices have the capacity and means to implement the new Service Delivery Model and are continuously being supported with hands-on assistance by the project. The project team provided technical assistance and mentoring to each employment office in implementing various active employment measures and employment counselling. The model of providing employment services and profiling mechanisms for jobseekers is being implemented, enabling PES staff to provide more effective and qualitative services to its clients, including jobseekers and employers.
- The Employment Management Information System is updated and is fully utilized; in line with the new Service Delivery Model provided throughout Kosovo's public employment services.
- Vocational Training Centres are staffed by vocational trainers recruited through the project and providing training services.
- The project provided support in organizing workshops for drafting the Employment Agency Working Plan.
- EA services and the MLSW services in general have better promotion and outreach through services provided by the project.
- EA has promotional materials for each employment office and vocational training centre.
- MLSW explored first-hand experience and good practices via a study visit to Singapore.

### **Skills development opportunities and job creation**

- **895 women and men** jobseekers have gained skills, employment opportunities in private enterprises, and self-employment support through different active labour market programmes: on-the-job training (OJT), wage subsidy programme (WSP) and the self-employment programme (SEP).
- 38% of the beneficiaries are women and 12% are non-majority communities (2018 only).

### **Enhanced knowledge base on labour market leading to evidence-based gender sensitive decision making**

- The Labour Market Information System is launched and publicly accessible. The LMIS is a tangible milestone, collaboration of all relevant stakeholders in creating an efficient evidence-based decision-making tool for policy development, informing the private sector on labour market trends, as well as for students and jobseekers for career decisions.
- A Labour Cost Survey has been conducted. The aim of LCS is to provide accurate, detailed and harmonised data on enterprises' labour costs. The survey relates to the labour costs incurred by the employer and asks for information such as employees' wages and salaries, overtime, bonuses, allowances, fringe benefits and other labour costs incurred by the

employer throughout the reference year. The Labour cost survey is designed to provide a comprehensive and detailed picture of the level, structure and short-term development of labour costs in the different sectors of economic activities in Kosovo Private sector the survey is conducted in Kosovo wide targeted the enterprises with more than ten employees.

- *Gender Mainstreaming, Governance and Environment*

The implementation of the ALMP2 project is done based on and utilizing the best practices and lessons learned from the implementation of the previous phases of the project. Thus, the majority of the institutional cooperation has been founded on the very successful partnership of the past ten+ years. Besides the main partners, the MLSW with its EOs and VTCs and the Ministry of Internal Affairs, the project has strengthened the partnership and collaboration with other partners: institutions, local and international organisations. The level of participation of NGOs has been extended to include them during each process of policy making and also for the purpose of reaching out to more vulnerable groups during the information campaigns for promoting the almps.

The main target group for this period has been the repatriated persons, whose participation in the almps was based on first come-fulfill criteria-first serve basis. The SEP in particular, is an employment scheme targeting the repatriated persons, however, it is one of the schemes with a lower participation of women (as well as youth), this being attributed to the fact that migration in this particular context is primarily men-driven and the vast majority of people seeking reintegration services are men. Quotas have not been used for this target group as a form of increasing the inclusion of women in the measures, due to the priorities linked to repatriated persons and the economic empowerment of this particular demographic.

For 2018, women represented **38%** of project beneficiaries, meeting and exceeding the foreseen target. The project works actively in promoting gender inclusive measures where for each vacant spot in employment schemes, preference is given to female candidates.

Although the project aims are not specifically designed to have an impact in environmental aspects, priority was given to supporting environmentally-friendly companies, and companies that use clean technology resources, especially within the self-employment scheme.



## (1.b) Background information

The Gross Domestic Product (GDP) of Kosovo has increased by 3.4% in 2018<sup>1</sup>. The private consumption had the biggest impact in this increase which has been fed mainly by remittances sent by migrants and diaspora, and the increase in the wages of the public sector.

Kosovo's growth is the fastest in Western Balkans, fueled mostly by public investment and consumption (of which large portion is enabled by remittances, which according to WB account to around 11% of the GDP). Moreover, the public debt-to-GDP ratio is the lowest in WB, but the fiscal stability can be threatened by the increased public spending. Unemployment remains very high and labour force participation is very low, especially among women. Ultimately, this sums up to the characteristics of "high, but fragile growth"<sup>2</sup> where the growth does not necessarily translate into jobs and effective private sector development, and there are risks that threaten long term growth prospects.

The Labour Force Survey 2018 (LFS) presents that the main labour market indicators correspond to the challenges the labour market in Kosovo keeps facing (table 2). The unemployment rate in the last three years is steady, ranging from 29-30%, which is twice as high as the countries in the region, and four times higher than the average of the European Union.

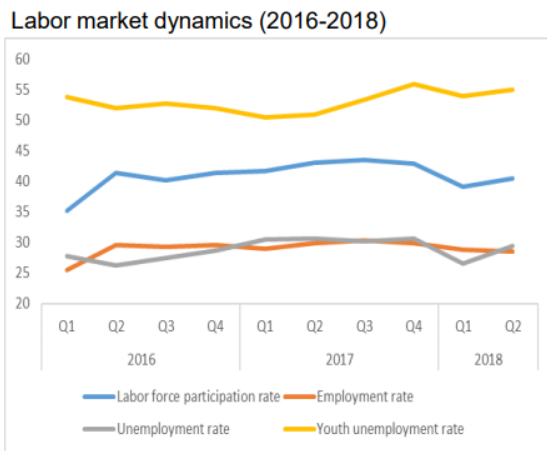
Similarly, the participation rate in the labour force and the employment rate remain to be the lowest in the Western Balkans, 40.4% and 28.5%, respectively, and there are significant gender differences, again, the largest in the region. The labour market indicators for women are especially low. The biggest employer in Kosovo remains to be the service sector.

Key indicators of the labor market (%)	Male	Female	Total
Rate of participation in labor force	63,1	17,4	40,4
Inactivity rate	36,9	82,6	59,6
Employment to population ratio (employment rate)	44,8	12,0	28,5
Unemployment rate	29,1	30,6	29,4
Unemployment rate among young people (15-24 years of age)	51,8	63,2	55,0
Percentage of young people NEET youth population (15-24 years of age)	30,7	29,6	30,2
Percentage of unstable employment to total employment	19,4	16,7	18,8

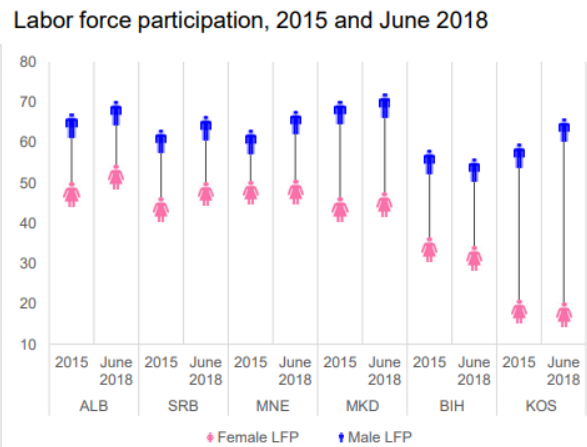
Table 2: Labour Force Survey 2018 Q2

<sup>1</sup> <http://ask.rks-gov.net/media/4499/gross-domestic-product-q3-2018.pdf>

<sup>2</sup> <http://pubdocs.worldbank.org/en/679151538660273202/Kosovo-RER-14-english.pdf>



Source: National statistical offices and World Bank staff estimates.



Source: Kosovo Statistics Agency and World Bank staff estimates.

Table 3: Labor market performance (World Bank)

**The MLSW designed a strategic document 2018-2022** (MLSW Sectorial Strategy 2018-2020 and its Action Plan on Increasing Youth Employment 2018-2020) which focuses on improving the efficiency, availability and coverage of its public employment services. On the other hand, MIA has a **strategic document 2018-2022 (Strategy on Sustainable Reintegration of Repatriated People 2018-2022 and its Action Plan)** which focuses one of its pillars on advancing the sustainable economic reintegration measures for repatriated persons in Kosovo. ALMP2 has aimed to support implementation of these strategies specifically in its four main intervention areas, namely (1) supporting the labour market institutions develop and strengthen their capacities in policy-making, operational and business processes; (2) direct support to the job-seekers and private sector companies to increase the employability and job creation; (3) enhancing the quality and availability of reliable data to create the space for evidence based policy making; (4) and ensuring the sustainability of active labour market measures through feasible financing mechanisms.

Through providing gender-sensitive employment and skills development opportunities for Kosovars, as well as helping public institutions to deliver more effective, tailored, and modern services, the project contributes to a number of Sustainable Development Goals: SDG1: End poverty in all its forms everywhere, SDG5: Achieve gender equality and empower all women and girls, SDG8: Promote inclusive and sustainable economic growth, employment and decent work for all, SDG10: Reduce inequality within and among countries, and SDG16: Promote just, peaceful and inclusive societies.

Overall, the project strategy contributes towards achieving the outcome of the Kosovo Common Development Plan 2016 - 2020: Outcome 2.1: Education and employment policies and programmes enable greater access to decent employment opportunities for youth and women. In line with the UNDP Eight Point Agenda (SC 1325) point 6 (Ensure gender-responsive recovery) and in line with the UNDP Gender Equality Strategy Implementation, the project is ensuring provision of equal opportunities to men and women jobseekers and encouraging young disadvantaged women to undergo training and enhance their skills, hence increase their employment opportunities.

As the key international donor to the project, the project had contributed to the main Finland's development priority areas, namely to i) a democratic and accountable society that promotes human rights, ii) an inclusive green economy that promotes employment and human development.

ALMP2 promotes gender equality and inclusion of marginalized groups throughout its activities.



Figure 1: SEP Beneficiaries receive grant packages

# Part B

## (Detailed Progress Report)

### (2.a) Reporting on Project Progress

Output 1: Vulnerable youth across Kosovo - with a particular focus on women - receive integrated employment services			
Target 2018	Indicator status (Fully/Partially/Not achieved) <sup>3</sup>	Explain the status of the Indicator	Means of Evaluation/ Verification
<b>At least 400 readmitted persons benefit from almps</b>	<b>Fully achieved</b>	559 readmitted have benefited from almps during 2018.	ALMP project database
<b>At least 25% of almp beneficiaries are readmitted women</b>	<b>Partially achieved</b>	23% of almp beneficiaries are readmitted women	ALMP project database
<b>At least 20% of beneficiaries are readmitted non-majority communities</b>	<b>Partially achieved</b>	14% of beneficiaries are readmitted non-majority communities	ALMP project database

### **Reform and Modernization of Public Employment Services**

In the past years, the Ministry of Labour and Social Welfare (MLSW) has undertaken many reforms to improve the quality and efficiency of the service delivery model of its Public Employment Services (PES) towards a client-oriented service delivery based on the specific needs of jobseekers and employers in the labour market.

The model integrates all functions of PES into one employment counsellor, allowing the employment counsellor to interact with all types of clients. At the same time, the client interacts with only one counsellor to receive all the needed services: employment counselling, career orientation, job placement, participation in active labour market programmes (almp) and others. The new service delivery model simultaneously allows the employment counsellors to profile its jobseekers based on the risks of becoming unemployed and identify the package of most suitable employment services.

### **Increased awareness on public employment services**

The project has prepared, designed, printed and distributed brochures that promote and inform the public on the services of the employment offices and in particular the OJT and WS. The brochures provide detailed instructions on the process that job seekers should follow in order to apply and benefit from the almps. Furthermore, ALMP2 has organized local and regional meetings

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<sup>3</sup> The target is "Partially achieved" when 60% of target is reached; Target is "Not Achieved" when less than 60% of target is achieved; target is "Fully achieved" when 100% or more of target is achieved.

with partners and stakeholders with the intent of disseminating information on the programs implemented by the employment offices. Additionally, ALMP2 has provided technical consultancy to staff from the employment offices in the field of service provision for jobseekers and negotiations with potential employers registered in the public employment service.

The successful completion of project goals, especially in regard to job training and job placement, has had a positive impact on the cooperation between the ALMP2 and the Employment Agency. Furthermore, the project co-operation with the employment offices within the framework of capacity building of employment offices, in the provision of employment services, has been effective in all of the employment offices throughout Kosovo.

### **Formal signing event (OJT & WS)**

A formal signing ceremony was held in May 2018, the event marked the signing of agreements between job seekers and employers participating in the OJT and WS schemes. More than 250 jobseekers attended the event and signed an agreement with the Minister of Labour and Social Welfare, Mr. Skender Reçica and the Deputy Permanent Representative of UNDP in Kosovo, Ms. Alessandra Roccasalvo.



*Photo from the MOU signing event*



*Visibility material for the Employment Agency*

### **Promotion of MLSW services**

In December 2018, the project has fully equipped the Employment Agency with promotional materials. The promotional materials include information on the services offered by the employment offices and included visibility tools such as: banners, videos, building signs, pencils, dossiers, notebooks.

Furthermore, ALMP2 has contracted a media and promotion company via which the project has produced outreach content for potential job-seekers and their pathways to employment through the services of the EA and MLSW.

### **Strengthening of local institutions in employment and training service delivery**

ALMP2 has conducted regular meetings with the MLSW and EA, as well as the employment offices in order to identify the challenges faced by the public employment services and provide direct assistance and mentoring for each employment office.

The project has initiated with delivering direct technical assistance through engaging trainers throughout Vocational Training Centers, as such an issue had been identified as crucial by the MLSW / EA in its service delivery and that was encountering gaps.

The following 14 Trainers have been engaged via ALMP2 technical assistance:

<b>VTC Prizren</b>	1 Trainer in Tailoring
<b>VTC Prizren (Mobile Center Suhareka)</b>	1 ICT Trainer
<b>VTC Mitrovicë/a (Mobile Center Skenderaj)</b>	1 ICT Trainer
<b>VTC Prishtinë/Priština (Mobile Center Podujevë/o)</b>	1 ICT Trainer
<b>VTC Gjilan/Gnjilane</b>	1 Trainer in Culinary Arts
<b>VTC Prizren</b>	1 Trainer in Electronics & Industrial Technology
<b>VTC Ferizaj/Uroševac</b>	1 Trainer in Construction
<b>VTC Mitrovicë/a</b>	1 Trainer in Carpentry
<b>VTC Mitrovicë/a</b>	1 Trainer in Business Administration
<b>VTC Gjakovë/Djakovica</b>	1 Trainer in Business Administration
<b>VTC Prishtinë/Priština (Mobile Center Podujevë/o)</b>	1 Trainer in Tailoring
<b>VTC Gjakovë/Djakovica (Mobile Center Ponoševc)</b>	1 Trainer in Tailoring
<b>VTC Gjakovë/Djakovica</b>	1 Trainer in Hairdressing
<b>VTC Prizren</b>	1 Trainer in Bakery

*Table 4 VTC Technical Assistance*

The project has delivered technical expertise by engaging 1 expert to promote MLSW activities, 1 expert to provide technical assistance to the EA, and 1 MLSW Infrastructure Investment and Monitoring Specialist. Additionally, ALMP2 has engaged with technical assistance for stakeholders throughout the whole structure of Employment Offices as well as Vocational Training Centres.

The project also provided technical assistance via 2 experts for finalizing the Concept Paper on regulating and managing the area of pensions and benefits, as per the new manual for drafting concept papers.

### **Adapting good practices**

A key project element in improving institutional service delivery has been the adaptation of good practices from the region and abroad. Previously, the project adapted numerous best practices from regional countries, as well as from beyond. In 2018, a study visit to Singapore was conducted in December. During the visit, Minister Reçica along with the delegation from the MLSW held bilateral meetings with their counterparts from the Ministry of Social and



*Study visit in Singapore*

Family Development and the Ministry of State and Labor of Singapore. Throughout the meetings, experiences and best practices of both institutions were shared. Both parties committed the willingness to cooperate in the field of vocational training and capacity development and exchange expertise.

### **Labour Cost Survey**

In collaboration with the Alliance of Kosovo Businesses, the LCS was finalized within the context of improving the research and analysis capacities of local institutions. The purpose of this research has been to provide information on the full cost of hiring employees by each economic activity. The study measured the level and structure of labor costs or the total costs borne by employers for the employment of staff. Professional training costs, taxes and subsidies related to staff recruitment were also recorded; the study also recorded the number of full time employees and the number of paid work hours per each participating company.

The research provided complete information on the full cost of labor, in particular the non-wage elements of this cost. Additionally, the LCS also included: wages and salaries, pension contributions and insurance, additional income, cost of professional training, employee services, staff recruitment costs, wages and salaries 1 (in kind), deductions from the subsidies provided by the Government and donors, and social security contributions from the employer.

### **Skills development and job creation**

ALMP2 project team has provided hands-on technical support to all of the employment counsellors throughout Kosovo in the implementation of almps: On-the-job training (OJT), the Wage Subsidy Programme (WSP), and the Self-Employment Programme (SEP).

The EOs have continued to provide employment counselling and mediation services to jobseekers. The project team has supported the counsellors in the EOs and the representatives of the VTCs at every stage of the implementation of the almps. This was done to ensure their implementation according to the procedures outlined in the manuals, using the specific forms, especially for the large self-employment programme. As part of the successful collaboration with the employment offices and vocational training centres around Kosovo, the EOs and VTC operating in the northern-

most municipalities of Kosovo participated in the implementation of all the almp. For the implementation of these programmes, the project has worked closely with the private sector companies, working in different economic activities (see tables below).

Agriculture, hunting and forestry	3
Mining and quarrying	2
Manufacturing	119
Communication	14
Construction	26
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	121
Hotels and restaurants	55
Transport, storage and communication	8
Financial intermediation	6
Real estate, renting and business activities	1
Public administration and defense; compulsory social security	1
Education	18
Administrative	7
Other service-based activities	110
Other community, social and personal service activities	8
Professional and technical/vocational	10
Arts and recreation	2
Small scale/family-based business	2
Uncategorized	22
<b>Total</b>	<b>535</b>

Table 5 Number of project beneficiaries by type of economic activity (WS & OJT)

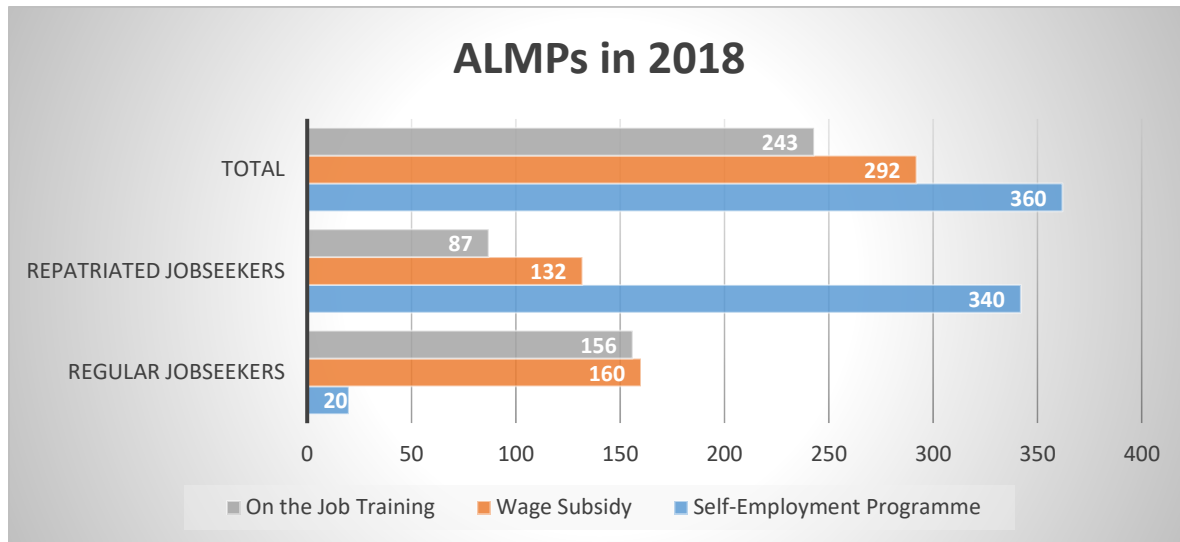
Announcers on radio, television and other media	32
Beauticians and related workers	44
Cooks	59
Domestic cleaners and helpers	19
Electronics mechanics and servicers	39
Food and related products machine operators	9
General office clerks	25
Hairdressers	17
Insulation workers	16
Journalists	2
Kitchen helpers	9
Laundry machine operators	14
Motor vehicle mechanics and repairers	39



Other cleaning workers	15
Plastic products machine operators	33
Roofers	3
Sales demonstrators	69
Telecommunications engineers	37
Upholsterers and related workers	1
Vehicle cleaners	2
Welders	29
Uncategorized	22
<b>Total</b>	<b>535</b>

*Table 6 No. of beneficiaries by occupation*

## The ALMPs in numbers

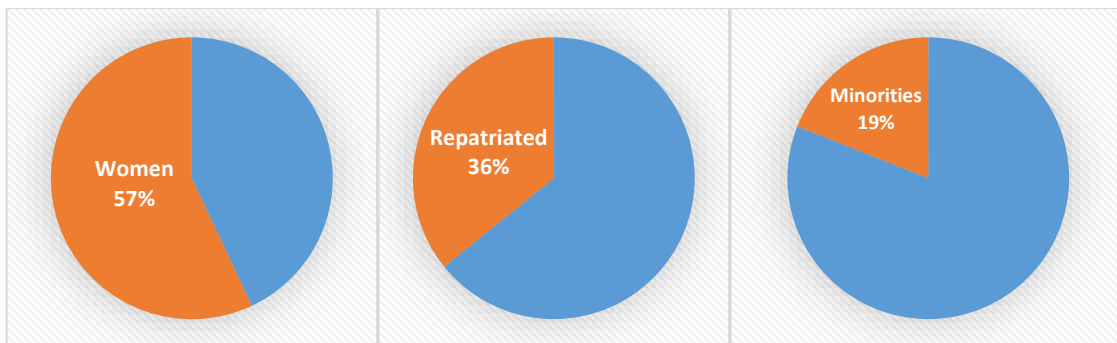


### What is OJT (On-the-Job Programme)?

It is a three-month training programme, guided by an individual plan agreed upon between the job-seeker and the private company; monitored by the trainers of VTC and implemented by the employment counsellors with the support of ALMP team throughout the process. During 2018, ALMP2 provided OJT measures to both repatriated and regular job-seekers; with **87 repatriated persons** and **156 regular job-seekers**.

### **OJT in numbers for January – December 2018**

- **243** women and men gained new skills, mainly in private enterprises, guided by the individual training plan, prepared together with the trainers of the VTCs;
- **139** of the beneficiaries are women;
- **46** of the beneficiaries are from non-majority communities;
- **214** private enterprises collaborated in the implementation of the OJT;
- **100%** of the approved OJT beneficiaries were monitored by the ALMP2 project team, employment offices and VTC trainers.

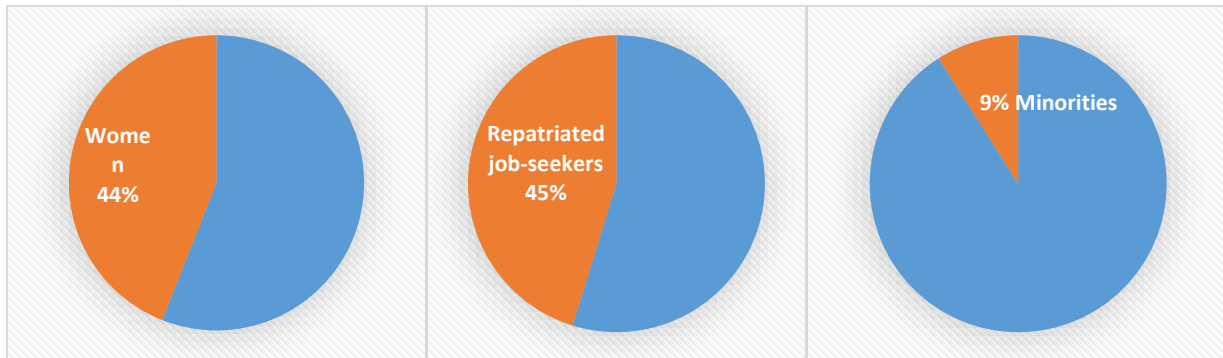


### **What is WSP (wage Subsidy Programme)?**

One-year employment programme, which subsidized up to 50% of the employee's wage, on a twelve-month period, based on the profile of the jobseekers (the ones with a higher risk of becoming long-term unemployed are subsidized for a longer period). During 2018, ALMP2 provided WS measures to both repatriated and regular job-seekers; with **132 repatriated persons** and **160 regular job-seekers**.

### **WSP in numbers for January – December 2018**

- **292** women and men were employed for a period of one year through the WSP;
- **129** of the beneficiaries were women;
- **25** of the beneficiaries were from non-majority communities;
- **166** private enterprises collaborated in the implementation of the WSP;
- **100%** of the approved WS beneficiaries were monitored by the ALMP2 project team, employment offices and VTC trainers.



In 2017, the project conducted an internal evaluation analyses of the gross impact of wage subsidy programme. Based on survey respondents, about 53% of the beneficiaries were found to be working in the time when the interview was conducted. A very large portion of beneficiaries (about 82.4%) think that the skills they learned during the support of this programme were valuable, also it is confirmed that about 50% of beneficiaries would not be able to find a job without this support.

During 2018, the project team conducted monitoring of the beneficiaries, where more than 50% of beneficiaries of the wage subsidy program are still employed.

### **What is the SEP (Self-Employment Programme)?**

The Self Employment Program supports the creation of viable businesses capable of surviving in the competitive market, while promoting self-employment as an active labour market measure.

Apart from providing grant support, the Programme also delivers training on business skills and expert support, helping unemployed persons with qualification and orientation to be successful in the chosen field. Fundamentally, the purpose of the Self-Employment Program is to support repatriated persons in the creation of viable business plans able to integrate within the competitive market by promoting self-employment as an active labor market measure; via direct grant support of tools and equipment for realization of business plans.

Through a comprehensive approach, the main objective of the SEP is to promote entrepreneurship and support self-employment for repatriated persons, working closely with labor market institutions and in partnership with private sector enterprises. In this way, the intervention will further strengthen the capacities of local government structures in providing support to repatriated persons, focusing on their reintegration into the labor market and thus, creating financial independence. The SEP measures have been implemented in accordance with existing regulations and operational guidelines within the MLSW.

### **The selection process:**

The selection process has been comprised of three stages: administrative, technical, and interview stage. In the first stage, the submitted proposals have undergone an **administrative verification** - where applications have been examined by an Administrative Verification Committee; comprised of Employment Agency staff and ALMP2 project team.

Key elements examined during this process:

1. The business plan is submitted in three original copies, in sealed envelopes, and in the format presented by the Program, and has enough content to enable technical assessment.
2. The applicant is repatriated and has submitted proof of repatriation.
3. The applicant is on the list of repatriated persons, as announced on the call.
4. The applicant does not have an active business registered with KBRA and does not administer an informal business;
5. The applicant has not benefited from other employment or training schemes from UNDP nor other donor organizations;

In the second stage, the submitted proposals have undergone a **technical evaluation** by the Technical Evaluation Committee; comprised of experts within the field of economics, business and management, and marketing. The selected proposals that had passed both stages of evaluation, have nominated the candidate for an interview.

The technical assessment was made on the basis of the following criteria:

1. The applicant's knowledge on the business applied for (total 20 points);
2. Existing resources - facilities, equipment, supplies, staff (total 20 points);
3. Market analysis and forecast of sales (total 20 points);

4. Financial viability of the business (total 20 points);
5. Additional points offered for priority groups (total 20 points)

The **Interview process** has been utilized as a means of physical verification of applicants' knowledge of the business plan submitted, as well as verification of the information presented in the proposal. During the interview, the applicants were notified of the list of tools and equipment that will be delivered, as well as signing a final statement on the rights and responsibilities of the equipment and receiving instructions for registering a new business in KBRA. Once selected, the candidate was informed whether he/she had passed the selection and notified upon the technical details for the equipment being offered. Additionally, the candidate was notified upon the contractual binding and legal obligations of operating a private enterprise as well as the legal obligations towards the programme.

The SEP Programme was initiated through three separate calls covering municipalities Kosovo-wide.

- I. In the **first phase**, 681 repatriated persons have responded to the call for applications; **92 repatriated persons** have been selected as final beneficiaries.
- II. **The second phase** of SEP received 233 applications from repatriated persons; from whom **93** have been selected as final beneficiaries. It should be noted, that during the second phase of SEP, the programme has also received applications from **42 regular job-seeker** (from 11 targeted municipalities), from whom additional **20 final beneficiaries** have received grant packages.
- III. **The third phase** of SEP received 273 applications from repatriated persons; **155 have been selected as final beneficiaries.**

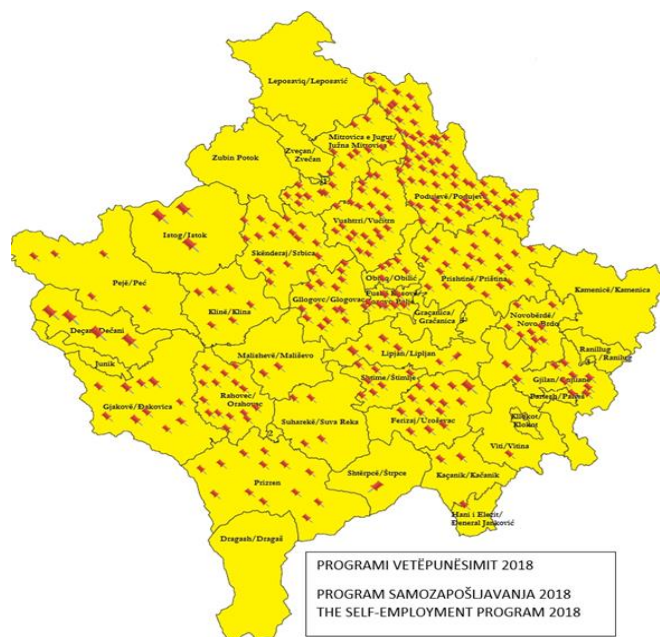


Figure 2 Geographical dissemination of SEP Grants

The following sets out the overall level of reach of the SEP to date:

- **1229** business ideas were submitted;
- **340 repatriated women and men** in Kosovo have benefited from the Self-Employment Program in the first phase, and additional **20 regular job-seekers**;
- 

Germany	294
Austria	10

England	1
Finland	3
Belgium	3
France	11
Luxembourg	1
Norway	1
Sweden	5
Switzerland	8
Greece	1
Hungary	1
Netherlands	1
<b>Total</b>	<b>340</b>

Table 7: Repatriated SEP Beneficiaries based on the origin country of return

- **21%** of beneficiaries are women;
- **11%** of beneficiaries were from non-majority communities, including Roma, Ashkali, Egyptians and Turkish;
- **40%** of beneficiaries have completed only primary school or have no education at all;
- All the selected beneficiaries (100%) were interviewed at separate meetings by the ALMP2 project team, and the process of dispatching tools and equipment is ongoing;
- With regards to the origin of the return state, most of the repatriated are returnees from Germany.
- **22** beneficiaries have withdrawn their applications even though they have gone to the final stage. These candidates have refused to sign off their social assistance or in other cases the status of a KLA veteran; a precondition to registering their businesses.



Figure 3 SEP beneficiaries

The SEP model requires comprehensive structural support in order to work successfully. However, the PES as they currently stand, feel that they cannot deliver that support just by themselves. The main areas of difficulty for them are the mentoring, monitoring and coaching aspects. Each beneficiary under the Project Document and the Operational Guidelines for the Implementation of MLSW and the Self-Employment Program will be offered mentoring in conducting business activity; in accordance with their approved business plan.

In 2018, ALMP2 reached an agreement with GIZ in mentoring the SEP beneficiaries. GIZ has already an operating contract with a local consulting company. The company will initially evaluate the mentoring needs of each beneficiary, then begin mentoring according to the identified requirements by each candidate; the company is obliged to report in writing on a 3-month basis to the implementing partners.

### **Reintegration of repatriated persons in Kosovo**

As an integral part of visa liberalization and the EU integration process, Kosovo institutions have so far signed bilateral agreements on readmission with 22 EU member states and countries in the Western Balkans. The number of the agreements signed is expected to increase.

Based on the annual reports published by the MIA, the number of repatriated persons for the period 2017-2018:

<b>January -December 2017</b>	<b>January -December 2018</b>
4509 <sup>4</sup>	1632 <sup>5</sup>

The readmission process in Kosovo is regulated by the Law on Readmission (03/L-208), and other by-laws and administrative instructions.

While the process of transferring competencies in employment related matters to MLSW has been completed, currently, the DRRP in MIA is in the process of transferring the competences for sustainable reintegration of repatriated persons to the relevant institutions. Therefore, the DRRP received technical support to finalize this process through amending the regulation for reintegration of the repatriated persons.

During May 2018 the MLSW and MIA signed an agreement for transferring the competences in field of Reintegration of Repatriated persons in Labour Market in MLSW. Therefore, during July 2018, UNDP, MIA and MLSW signed the cooperation agreement in field of reintegration to implement project "Sustainable Reintegration of repatriated persons through Active Labour Market Programs" during 2019-2021, scaling up the successful cooperation in this field among the partners.

Apart from intensive assistance in service delivery for the employment institutions, ALMP2 has organized regular meetings with the employment offices in order to identify and promote inclusive employment measures for the repatriated persons.

Throughout July 2018, meetings were held throughout all of employment offices, where the difficulties and challenges in project implementation were discussed and EO councillors were mentored in methods for implementing labour market measures for repatriated persons. The main challenges discussed during these meetings have been the lack of interest from the repatriated jobseekers to be included in existing measures such as OJT and WS. However, the repatriated persons have shown great interest to be included in vocational trainings at VTCs and apply for the Self Employment Program - such large interest has caused logistical issues for the employment officials due to their understaffed offices and lack of transportation.

During the mentoring process, ALMP2 alongside staff from the Employment Offices generated detailed lists of repatriated persons as well as their professional capacities, thus creating profiles for each candidate and easing the training and counselling process for each specific employment scheme – the lists were compiled via the Employment Management Information System.

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<sup>4</sup> [https://mpb.rks-gov.net/DocumentsShpalljet/WEB\\_Raport\\_2017\\_Shqip\\_F.pdf](https://mpb.rks-gov.net/DocumentsShpalljet/WEB_Raport_2017_Shqip_F.pdf)

<sup>5</sup> <https://mpb.rks-gov.net/DocumentsShpalljet/Raport%20vjetor%202018%20GJUHE%20SHQIPE.pdf>



Additionally, the project has supported the DRRP with technical expertise in the drafting of several strategic documents:

- Finalizing the information manual on Standard Reintegration Services for Repatriated Persons;
- Finalizing of key documents and modules on Standard Reintegration Services;
- Technical assistance on the process of transferring competencies in the field of economic reintegration from the MIA to MLSW.

ALMP2 provided technical assistance to the DRPR staff to strengthen their capacities within the scope of managing the reintegration program. The following trainings and certifications were held:

- ToT for Risk Management Trainer of Trainers ISO 31000: 2018
- Training and Certification ISO 90001: 2015 Management System Developer.
- Training: Advancing a Sustainable Reintegration System for Repatriated Persons (Identifying and Needs Assessment). Regions included: Prishtinë;/Prishtina, Pejë/Pec, Gjakova/Djakovica, Mitrovicë/Mitrovica (held in May 2018) and the group of Prizren, Gjilan/ Gnjilane and Ferizaj/Uroševac (organized in November 2018).
- Study Visit in Podgorica held in June 2018 - "Inter-Institutional Meetings and Secretariat for Visa Liberalization in Organization and Financing"
- Workshop on "Standard Service Packs" and "Standard Operating Procedures".

Ministry of Internal Affairs in cooperation with different International organizations and NGOs, have set up a functional and professional mechanism for a sustainable reintegration of repatriated persons at the central and local level, specifically focusing on the main areas of civil registration, health, education, employment, social welfare and housing.

The Reintegration Strategy covers all phases of the return process, from the moment of readmission to the provision of various services for reintegrating in Kosovo, aiming to achieve full sustainable legal, political, social and economic reintegration for all repatriated persons regardless of age, gender, ethnicity, religion and race.

## Output no. 2: Enhanced knowledge base on labour market leading to evidence-based gender sensitive decision making

Target 2018	Indicator status <sup>6</sup>	Explain the status of the Indicator	Means of Evaluation/ Verification
At least one international conference is organized	Fully achieved	Academic journal published with the UP	Progress reports
At least one labour research report is published	Fully achieved	Labour Cost Survey	Progress reports

In order to ensure sustainability of results of this output, ALMP2 alongside the University of Pristina's Faculty of Economics have established a platform of collaboration between the Kosovo institutions and academia via the Academic Conference and Scientific Journal, initiated in 2017. In particular, the Journal aims at encouraging and disseminating high-quality research on the International and European economy.

A continuation from 2017, the University of Pristina in 2018 organized the 2<sup>nd</sup> international conference under the title of "Migration, Diaspora and Economic Development".

At the conference participants were able to present their work in the field of Migration, Diaspora and Economic Development; these works were compiled and published in the scientific journal titled "Balkan Economic Review" ISBN 978-9951-711-21-0. The conference was oriented towards an open discussion in terms of migration, diaspora and economic development,



Figure 4: Opening of the "Diaspora, Migration and Economic Development" conference

problems and challenges as well as the integration of academia in solving real world economic issues.

<sup>6</sup> The target is "Partially achieved" when 60% of target is reached; Target is "Not Achieved" when less than 60% of target is achieved; target is "Fully achieved" when 100% or more of target is achieved.

Researchers and professionals had a unique opportunity to interact closely and share their experiences. The conference also brought a unique opportunity to graduate level and doctoral students to participate and interact with international researchers.

## Labour Market Information System

The Labour Market Information System is an online tool compiling information from a variety of sources such as the MEST, MLSW, private sector and labour force. The LMIS is a collaborative tool between the Ministry of Labour and Social Welfare, Ministry of Education, Science and Technology, UNDP Kosovo and Enhancing Youth Employment (EYE) Project.

### Multi-functional systems like the LMIS can help in many ways:

- They can aid policy makers develop the right policies and tools for their citizens and adjust the education systems to the needs of the employers;
- they can help the private sector follow the state of the labour force;
- and guide the future jobseekers in making well-informed choices for their careers,

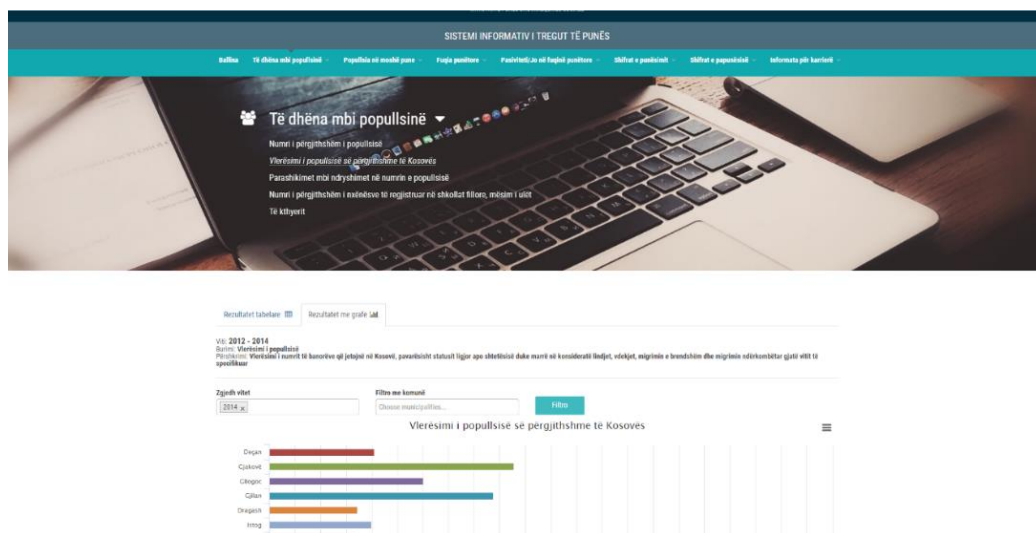


Figure 5: The Labour Market Information System

The LMIS was launched on the 29th of November 2018, during which its functionality was presented:

**Data gathering:** Data gathering from the job-seeker managing system currently used by the employment offices; Data gathering from the Kosovo Agency of Statistics (Census and LFS), Business Registration Agency, Tax Administration, Ministry of Education etc.

**Demographics:** the front page that indicates the current vacancies by profile as well as employment trend by profile; information on population demographics, profile of job-seekers, as well as various population trends, as well as a site map where the user can find all of the available options for the site. The LMIS is capable of presenting population trends desegregated by age, gender and employment preference; all the trends presented on the site will be collected from the datasets sent by the KAS.

A key feature of the LMIS is its capability of measuring and presenting data across time, LMIS has integrated data from the MIA where all of the features of the repatriated persons are present; one can check the change in trends from 2014-2015 where most of the repatriated persons had returned back into Kosovo.

The reports presented on the site have a multitude of variables that could be filtered through: information provided on the reports indicates the year the report has been published on, source of data, age of the census, data segregated by municipality, actual numbers on formal employment (as sourced by the ATK), the data presented by the reports could be filtered by municipality, number of businesses registered in each municipality, employment data by each municipality; the vacancies presented in the site will be generated based on the input of employment agencies by each respective local employment office.

The site has also an integrated feature of career outlook and info; the feature contains data from the online job portals, it generates trends in real time, presents data based on the categories of jobs as well as indicates business activity based on the data sent by the ARBK.

The LMIS includes key information on Education statistics where data sets sent by the university of Pristina will generate information on trends of students by their studies, segregated by gender, as well as information from the professional vocational schools where datasets will generate patterns of employment and trainings based on the profile of their chosen training.

**Link to access the LMIS:** <http://sitp.rks-gov.net/>

## **(2.b) Gender Mainstreaming, Governance and Environment**

- ***Governance***

The implementation of the ALMP2 project has been based on and utilizing the best practices and lessons learned coming from the implementation of the previous iterations of the project, which has had a very positive impact in improving good-governance and accountability of service delivery in the institutions involved in provision of employment services.

The majority of the institutional cooperation has been founded on the very successful partnership of the past 13 years. Due to the project interventions, the public employment services have increased the efficiency and effectiveness of the services delivery. On the other hand, municipalities have improved their capacities to integrate the repatriated persons in the labour market.

The improvements in service delivery stemming from the various tools, approaches, and systems put in place with UNDP's support have contributed to a positive outcome change as well. Continuing positive trend is seen in the yearly absolute number of women participants from MLSW programmes, and the yearly share of women beneficiaries in the total, evidencing greater access to employment & skills development opportunities for women.

- ***Gender***

Results achieved under this project boast strong impact on gender equality & women's empowerment. Women in Kosovo face challenges in the labour market, resulting in heavy unemployment rates & high inactivity rates. Only one in eight working-age women has a job. Therefore, interventions that provide women with opportunities to become economically active, gain marketable skills, working experience or find employment are of utmost importance.

In 2018, 38% of UNDP-supported measures were delivered to women. The MLSW/EA use service delivery model, profiling mechanism & SOPs, allowing for targeted support to unemployed which leads to greater provision of support to women facing higher barriers in the labour market. Quotas are also utilized for certain measures and target groups. In this way, more women are encouraged to undergo training, enhance their skills, participate in entrepreneurship initiatives & therefore increase their employment prospects & generate income. The EA uses the performance management framework to set annual gender-disaggregated targets & indicators of performance for its employment offices, with performance results also serving MLSW to align development & training of its staff. This also contributes to positive outcome change linked to women empowerment. Efforts will continue to be made to influence gender-sensitive policy making of labour market & economic development institutions & contribute to transformational change among central & local level actors.

On the other hand, employment scheme for the repatriated person is one of the schemes which have a lower participation of women (as well as youth), attributed to the fact that migration in this particular context is primarily men-driven and vast majority of people seeking reintegration services are men, as well as to family and cultural settings of the women candidates. Quotas have not been used for this target group as a form of increasing the inclusion of women in the measures, due to the priorities linked to repatriated persons and the demographic profile of the target group. The main target group for this period have been the repatriated, whose participation in the almps was based on first come-fulfil criteria-first serve basis. This in turn led to an overall drop in cumulative percentage of women beneficiaries.

- ***Environment***

The project has overall been neutral to environment, as environmental topics are not among the aims of the project. However, priority was given to supporting environmentally-friendly companies, and companies that use clean technology resources, especially within the newly launched self-employment scheme. Use of local resources and recycled materials were, on the other hand, used in all of the project activities where possible.

## Part C (Quality Assurance)

### (3.a) Risk Management

Risks	Likelihood	Impact	Mitigation	Current situation
Lack of financial resources committed by Kosovo institutions to continue implementation of active employment measures	Medium	High	The project shall support MLSW to draft a comprehensive employment programme to be submitted for Gov. approval. In addition, a feasibility study on creation of an Employment Fund shall be conducted.	<b>2018 status:</b> Previously, the project has supported the MLSW in drafting a comprehensive Employment Policy document 2016-2018 which is the basis for strategic planning on employment issues. Although committing significant resources, however, there is a need for stronger commitment from the government institutions to develop the legislative framework for the establishment of an employment fund which would be used to finance almps. The feasibility study of the Employment Fund has been conducted.
Target beneficiaries lack information on PES modalities and SEP grant specifications, resulting in scheme drop-out	Medium	High	The project has held meetings and coordinated with local employment offices in order to identify and address information bottlenecks	<b>2018 status:</b> The project has tailored calls, application forms as well as simplified application procedures in order to reach a greater target audience, and explain employment schemes offered by the PES.
Lack of labour market data creates challenges on proper	Medium	High	The project has conducted a LCS in order to better	<b>2018 status:</b> Institutional capacity building is still required- especially within

implementation of employment measures			understand labour market dynamics and associated costs with hiring employees.	policy making and researching of labour market. ALMP2 has supported a Labour Cost Survey in order to better understand the needs, costs and issues associated with hiring of additional employees- apart from wage associated costs. The project will keep supporting the development of high quality knowledge base on labour market in Kosovo.
Limited coordination among organizations working in the field of employment	Low	High	The project has provided the MLSW with technical assistance at the Minister's cabinet level to ensure that projects in the field of employment are coordinated and are in line with the Employment Policy document.	<b>2018 status:</b> There is still a need of more coordinated approach in the implementation process of employment projects. There has been more than one occasion when it was noticed that projects are overlapping in activity implementation, and at times collaboration among projects does not work effectively. The project will continue to explore avenues to synergize with other projects and maximize impact.
Limited PES and VTC human resources (and human capacities) to effectively provide integrated employment services and implement	Medium	High	The project has organized several trainings to strengthen PES and VTC capacities to improve service delivery. The ICT tools have had a	<b>2018 status:</b> The capacities of the PES still continue to require to be strengthened. This especially in terms of offering all the clients the same type of services,



various employment programmes			positive impact in increasing the number of jobseekers served. Technical capacity building has been provided by the project team.	according to their needs. The project will continue to provide hands-on coaching to EOs across Kosovo to stimulate service provision improvements.
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### **(3.b) Project Management**

#### ***Organizational structure***

The day-to-day management is the responsibility of the UNDP AMLP 2 Project Team consisting of Project Manager, 3 Project Associates, Finance and Admin Associate, and a Project Assistant. The ALMP team works under the direct supervision of the Project Manager. The line supervisor of the ALMP team is the Programme Analyst/Programme Coordinator. The Project Board is facilitated by the UNDP Deputy Resident Representative<sup>7</sup>, comprising of one or more representatives from the Government of Finland (if applicable) and representatives from Ministry of Labour and Social Welfare. The Board has extended its membership to the Ministry of Internal Affairs during 2015.

The Project Board role includes:

- Responsibility for making strategic decisions by consensus, including the approval of project revisions (i.e. changes in the project document);
- Approval of Annual Work Plans, Annual Reviews and mid-term reports;
- Meetings for at least twice a year to review management risks and most relevant issues; meetings can be held virtually (i.e. teleconference, videoconference, etc.);
- Consultations with the Project Manager for decisions when management tolerances (in terms of time and budget as per work plan) have been exceeded (the Project Board defines tolerances).

The PB approves all major plans and authorises any deviation from agreed plans. It is the authority that signs off the completion of each stage as well as authorises the start of the next stage of project implementation. It ensures that required resources are committed and arbitrates on any

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<sup>7</sup> UNDP shall make efforts to transfer the facilitation role to the project’s main beneficiary MLSW

conflicts within the Project or negotiates a solution to any problems between the Project and external bodies. The PB is ultimately responsible for assurance that the Project remains on course to deliver the desired outcome of the required quality to meet the Project's objectives defined in the Project.

### ***Monitoring***

At every stage of the project, all indicators have been monitored, and the impact measured through data collection. Regular reporting and monitoring were carried out by the Project Team, including spot check joint monitoring with the employment counsellors. The project is also monitored through administrative data of EMIS and the project database.

### ***Quality Assurance (by the programme team)***

The UNDP Kosovo office Programme Coordinator, Programme Analyst and Programme Officer have provided specialist quality assurance, mostly of a technical nature. UNDP's Programme team has been involved in the quality assurance of the related policy development initiatives. The Project Board (PB) has received advice from project assurance, which raised any issues that may not have been addressed and advice on quality issues. Project assurance has also highlighted areas of concern to the Project Management Unit. Additional Quality assurance has been provided through monitoring reports.

## **(3.c) Partnerships and Cooperation**

The results of ALMP2 during the reporting period were achieved in close and effective collaboration with all the partners involved. The main partners of the project are the Ministry of Labour and Social Welfare, the MLSW Department of Labour and Employment, the Employment Agency and its Employment Offices and Vocational Training Centres. The project has collaborated also with the Division for Social Welfare, when beneficiaries of social assistance category 2 have participated in different types of almp.

In regard to the reintegration of repatriated persons, the project partners effectively with the Ministry of Internal Affairs, the Department for Reintegration of Repatriated Persons, and the Municipal Offices of Communities and Returns.

Without doubt, for the implementation of the almps, the partnership with the private sector companies has been crucial. During 2018, the project has joined forces with more than 300 private companies around Kosovo, operating in different economic sectors.

Partnership with the University of Prishtina is strengthened through continuous support in organizing and ensuring the progression of the international conference series, additionally ALMP2 has contributed towards a stronger collaboration between the policy making and evidence producing institutions. The second edition of the international conference has proven that this

platform has become an effective space for exchange of ideas and best practices. This partnership could support a more sustainable evidence-based policy making in the future.

In regard to information campaigns and dissemination, the project has strengthened existing partnerships and built new partnerships. The project has strengthened the collaboration between EOs and NGOs working on protecting or/and serving the rights of people with disabilities (The Forum of People with Disabilities and its member organizations), minority ethnic communities (Balkan Sunflowers), women (Kosovo Women's Network and its member organizations), etc.

The project has organized regular consultative meetings also with other donors such as GIZ and Helvetas. GIZ is targeting same target groups as ALMP project, this has been done in order to avoid overlapping regular meetings and to share information.

### **(3.d) Challenges and Lessons Learned**

#### ***Challenges***

- **Establishment of the Employment Agency**

In the past years, PES in Kosovo has undergone major reforms which include building of an internal training system, establishment of a performance management framework, diversification of the active labour market measures, and others. One of the major reforms has been the institutional separation of labour policy design from labour policy implementation. To ensure this clear division, the Employment Agency was functionalized, and the director has been selected. However, the EA has yet to become fully functional, due to staff shortages at the central and local level, as well as logistical shortages; key components that have directly impacted the EA performance.

The proper functionalization of the EA would ensure a proper separation of employment policy making from their implementation, with different institutional competences and monitoring framework for each. This separation is in line with the European Union best practices in the area of Employment Policy, and also in line with the EU accession guidelines. ALMP2 has assisted the EA with promotion and outreach via financing: logos, online platform, promotional events.

- **Limited institutional capacity hinders the utilization of the feasibility study for the establishment of an employment fund in Kosovo**

In December 2017, the ALMP2 project delivered the feasibility study for the establishment of an employment fund in Kosovo. The feasibility report includes a study of macroeconomic and fiscal framework of Kosovo, labour market trends, snapshot of the current education system, as well as an organizational and financing options for establishing an employment fund.

While Kosovo authorities have undertaken necessary steps in addressing institutional arrangement, such as the development of the EA into a fully functioning agency, insufficient financing is a large constraint to increasing the scope of the ALMPs and financing the employment fund. Thus, the project has proposed following considerations in designing the funding structure: I. Structured channelling of donor support and budget allocations, II. Introducing stable general

tax financing. III. Introduction of an unemployment insurance contribution. All three financing mechanisms are currently being considered and the ALMP2 will provide the technical assistance and know-how in implementation jointly with central and local authorities.

- **Limited EO logistical capacities**

There are 30 employment offices Kosovo-wide, which, for full operational capacity, lack logistical capacities such as: labour market research tools, modern communication tools, technical equipment: printers, scanners and photocopiers, etc. All these technical factors have limited the scope of service provision and have limited the possibility of reaching target numbers foreseen for various employment measures.

- **Grant size dissatisfaction from repatriated beneficiaries**

Some of the repatriated beneficiaries have reported dissatisfaction with the awarded grant size. The project has defined the grant size and reintegration compensation in accordance with the minimum wage in Kosovo and based on the Regulation (GRK) NO. 13/2017 on Reintegration of Repatriated Persons. Given the average income in Kosovo, and in comparison, to origin countries of the repatriated, the difference is noticeable, however the project has taken a constructive approach in terms of clarifying and explaining the terms and conditions of engaging in almps as well as the contextual reality of Kosovo.

- **Repatriated persons consider SEP grants guaranteed upon arrival in Kosovo**

ALMP2 has organized regular meetings with the Municipal office for returnees (MOCR) and employment offices (EO), in order to better inform the staff and disseminate information on SEP selection and regulations. These meetings highlighted the competitive aspect of the SEP and prioritizing of sustainable business proposals.

Contradictory information from the EOs and MOCR as well as word of mouth type of exchange have often resulted with confused target beneficiaries. ALMP2 members often had to provide additional information on the SEP programme as well as the difference between awarding equipment versus financial remuneration – as was prior the case.

- **Lack of effective communication between the Employment Offices and MOCRs results in staff lacking clear mission statement and roles:**

Creating an effective and systematic cooperation between employment offices and municipal offices for returns and communities has faced ongoing difficulties. Lack of regular meetings and lack of exchange of information has often resulted with data mismatch of repatriated jobseekers. The project has promoted co-operation by convening regular meetings in order to avoid communication barriers and the continuation of cooperation between EOs and MOCRs.

Additionally, there was a lack of information exchange and registration of persons in the Case Management System of MIA. In this aspect, the project has requested MLSW and DRRP to link the

respective systems in order to avoid information congestion, however, further inquiries have resulted with the CSM having technical issues; currently being addressed. Both institutions are having regular meetings to find solution. If there is no longer term solution the Employment Agency

- **MOCR lack a clear mission statement and role**

MOCR staff do not have clear and defined roles. ALMP2 has had continuous issues with implementing stages of SEP due to lack of cooperation from the MOCRs. The project addressed this issue in DRPR which organized regional meetings to discuss and clarify the role of MOCR in the reintegration process.

### ***Lessons learned***

- **Good monitoring is critical for accountability in a complex institutional arrangement**

As continuously reported earlier, the project has put a lot of effort in developing strong accountability mechanisms during implementation, with a particular emphasis on its monitoring system. Every project year around 80-90% of the beneficiaries from the schemes were reached through the monitoring system. The latter proved to be very effective in making sure that limited abuses occurred during implementation. Once the list of beneficiary jobseekers and enterprises is confirmed, the project team, in coordination with regional and municipal employment centres, organizes monitoring visits on a regular basis so as to ensure that they were fulfilling their commitments to employ/train beneficiaries for the period agreed in the MoU. Any enterprise and individual found misusing the system was "blacklisted" and excluded from future schemes. Depending on the level of misuse, exclusion was applied on a range from one year or more.

During 2018, the ALMP2 team conducted a standardized monitoring where beneficiaries of Phases 1 & 2, were asked the following 8 questions: 1. Is the business active/operating? 2. Are tools from the grant package utilized? 3. What marketing measures have been taken? 4. Has the business generated any new contractual agreements? 5. Employment generating capacities. 6. Has the co-finance been utilized? 7. Does the business generate sufficient income? 8. Is there a potential risk of business closure?

Throughout monitoring, the team identified two particular cases that have been reported for misuse and breach of contractual agreement. Insight from monitoring has resulted with better tailored grant packages, assistance in marketing and outreach, as well as management of recipient expectation.

- **Simplification of SEP procedures increases participation rate and institutional efficiency**

Ahead of launching the second and third calls of the SEP, the project has re-designed the call and simplified application guidelines in order to attract a wider reach of applicants, such practices are to be applied annually in order to tailor the program based on the needs and capabilities of target beneficiaries. Additionally, the project in cooperation with MLSW / EA has drafted an operational document, approved by the MLSW, in order to facilitate and ease the implementation of the Self-Employment Program by the Employment Offices.

Differing from the first call, the application form, for the second and third call of the SEP, enclosed the business idea section in a single document – thus simplifying the application procedure and reducing administrative steps. This new approach has led to the reduction of application expenses for repatriated jobseekers such as printing, travel expenses and other individual costs, the reduction of administrative costs, albeit nominal, have had a great impact, as most jobseekers registered throughout employment offices are in poor social conditions and every additional cost/hurdle comes at great personal expense.

During the second and third call for applications, only 20 job- profiles were supported, thus offering equipment packages only for the priority profiles identified by the Ministry of Trade and Industry. This approach has had a twofold benefit: ease of procurement procedures in purchasing packages of equipment for each profile, as well as better informed applicants on the nature and technical capacities of grants applied for. The list of equipment for each specific profile, has been carefully tailored in consultation with VTC experts and will be modified annually based on inputs from the MLSW.

- **Technology and information tools are critical for the efficiency and sustainability of ALMPs**

Another important lesson from the ALMP project has been the importance of developing and using technology and information tools to support implementation and programme design. The development of the EMIS has greatly synergized EOs and improved the delivery of almps and matchmaking between the job-seekers and employers. Prior to the EMIS, the EOs have delivered employment measures through initially registering individual requirements from each job-seeker, and subsequently manually surveying companies upon their workforce needs. Currently, the EMIS conducts the matchmaking automatically by checking the employer requirements with job-seeker profile and skillset; with data being input by the assigned EO officer. The automatic matchmaking is achieved via the following criteria: education level, professional title based on ISCO-08, location of the candidate, work-experience, economic profile. Apart from delivering matchmaking efficiency and ease of job placement, the EMIS generates vital data for the LMIS where labour market trends and data patterns present a real time situational snapshot of the labour market and data disaggregation for policy-making.

- **Proper design of active employment measures, continuous learning and flexibility is critical to achieve intended outcomes and impact**

The project in close cooperation with Employment Agency and approval of MLSW has revised the operation guidelines for implementation of the self-employment program providing tools and equipment to different profiles to selected beneficiaries through competitive process.

This approach of having the project on “permanent monitoring and review” has enabled the project to introduce necessary changes in the operational procedures; to test and scale up some schemes while phasing out others; to understand and respond to the capacity building needs of local institutions; to better understand the interventions that were necessary to ensure the long-term sustainability of ALMPs once donor support is phased out.

- **Institutional commitment and ownership is critical for efficiency in implementation and sustainable capacity building**

No project can achieve optimal success or become sustainable if there is no strong and continued commitment and ownership throughout the structure of local authorities. There continues to be a significant buy-in for the project as the issue of youth unemployment is a public policy priority. Ultimately, the greatest challenge in sustaining and empowering the achievements of the project will be the sustained financial and political commitment by higher level institutions, especially having in mind the wide range of actors involved in implementation. That is why it is of critical importance for projects seeking sustainability to include in their governance actors such as the Ministry of Finance and the Office of the Prime Minister to establish the Employment Fund, which will be used specifically to finance the implementation of different active labour market programmes. The feasibility study for this fund along with proposed models is in place through the project.

### **(3.e) Project Visibility**

The project runs its project page at the UNDP web in Kosovo, along with a repository of the project's products :

[http://www.ks.undp.org/content/kosovo/en/home/operations/projects/poverty\\_reduction/active-labour-market-programmes-2.html](http://www.ks.undp.org/content/kosovo/en/home/operations/projects/poverty_reduction/active-labour-market-programmes-2.html)

A success story is presented below:

**If Goodness is Sown, Goodness is Returned:** Is a story of a Shemsije Mala giving back to her community after receiving a grant via the Self Employment Programme.

*“Through a two-week intensive modular-based training, Shemsije and other candidates received the necessary guidance on how to start and run a successful business. After she received the threshold competencies, Shemsije drafted a business plan of her envisioned apparel manufacturing enterprise.”*

"Today, Shemsije is involved with other ALMP programmes. However, this time, not as a beneficiary. Through the on-the-job training programme and wage-subsidy programme, with the help of the Employment Office in Vitia, she recruits unemployed young women to work for her in the business. Shemsije has become an immaculate mentor, teaching the craft of sewing and tailoring to her employees."



Figure 6 Shemsije Mala 46, SEP Beneficiary. Photo:Arblir Pireva - Communications and Advocacy Associate - ALMP

<https://undpkosovo.exposure.co/if-the-good-is-sown-the-good-is-collected>

Below is a collection of links to media pieces promoting the project and its impact:

#### **The Self-Employment Program opens for 300 repatriated persons (Alb.)**

<https://www.koha.net/arberi/104746/hapet-programi-i-vetepunesimit-per-300-persona-te-riatdhesuar/>

#### **Interview with UNDP, Self-Employment Program (Alb.)**

<https://www.youtube.com/watch?v=B3KwTj7nKM8>

#### **Launch of the Labor Market Information System (Alb.)**

<https://www.youtube.com/watch?v=VQSI8F89NZ0&feature=youtu.be&fbclid=IwAR0H0EsQKvm3m9-smUL1WFXX6ayoCSJAqvHfHePzrsaCTYfh1JydpiRga0Hs&app=desktop>

#### **Different equipment is provided for repatriated persons, beneficiaries of the self-employment program (Alb.)**

<https://www.koha.net/arberi/125727/ndahen-pajisje-te-ndryshme-per-te-riatdhesuarit-perfitues-te-programit-te-vetepunesimit/>

#### **Repatriated persons as beneficiaries of the Self-Employment Program, a joint program of MLSW and UNDP, supported by the Ministry of Internal Affairs. (Alb.)**

<https://mpms.rks-gov.net/ministri-recica-takon-te-riatdhesuarit-perfitues-te-programit-te-vetepunesimit/lajme/>

#### **Cooperation agreements in the field of reintegration of repatriated persons (Alb.)**

<https://www.koha.net/arberi/106004/marveshje-bashkepuniimi-ne-fushen-e-riintegrimite-personave-te-riatdhesuar/>

#### **Startup - Emisioni 102 (Labour market) 02.04.2018 (Alb.)**



<https://www.youtube.com/watch?v=zTSbAckXiME>

### **Better education for a better economy, says Balkan Economic Review**

<http://www.ks.undp.org/content/kosovo/en/home/presscenter/articles/2018/11/05/better-education-for-a-better-economy--says-balkan-economic-revi.html>

### **Internship scheme award ceremony, KIESA**

<https://www.facebook.com/businessinkosovo/posts/2003892619825810>

### **Promoting the programme:**

Official Signing Ceremony: 25<sup>th</sup> of May 2018

MLSW site: <http://mpms.rks->

[gov.net/Lajmet/Publikimiilajmeve/tabid/116/articleType/ArticleView/articleId/5008/language/sq-AL/270-punekerkes-perfitojne-nga-programet-aktive-te-tregut-te-punes.aspx](http://gov.net/Lajmet/Publikimiilajmeve/tabid/116/articleType/ArticleView/articleId/5008/language/sq-AL/270-punekerkes-perfitojne-nga-programet-aktive-te-tregut-te-punes.aspx)

Ekonomia online: <http://www.ekonomiaonline.com/ekonomi/mundesohet-trajnimin-i-270-punekerkesve-recica-thote-se-po-punojne-per-uljen-e-papunesise/>

Klan Kosova: <http://klankosova.tv/270-persona-persona-perfitojne-nga-programi-per-subvencionim/>

Koha net: <https://www.koha.net/arberi/95226/marveshje-qe-u-siguron-pune-ne-sektorin-privat-270-te-rinjve/>

Kosova Press: <http://www.kosovapress.com/sq/biznes/gjejne-pune-270-te-rinj-ne-sektorin-privat-163814/>

Gazeta Tribuna: <http://www.gazetatribuna.com/lajme/gjejne-pune-270-te-rinj-ne-sektorin-privat/>

Kosova Info: <http://kosova.info/2018/05/recica-po-punojme-per-uljen-e-papunesise/>

Bota Sot: <http://www.botasot.info/ekonomi-lajme/894795/gjejne-pune-270-te-rinj-ne-sektorin-privat/>

Gazeta Intro: <http://www.gazetaintro.com/gjejne-pune-270-te-rinj-ne-sektorin-privat/>

Bota Press: <http://www.botapress.info/270-punekerkes-perfitojne-nga-programet-aktive-te-tregut-te-punes/>

Fax Al: <http://fax.al/news/16087466/270-persona-persona-perfitojne-nga-programi-per-subvencionim>

Gazeta e Re: <https://www.gazetaere.com/gjejne-pune-270-te-rinj-ne-sektorin-privat/>

LMIS Launch:

Koha net: <https://www.koha.net/arberi/131580/sistemi-informativ-i-tregut-te-punes-tanime-ne-dispozicion-te-qtetareve/>

Indeks online: <https://indeksonline.net/ministri-recica-lanson-sistemin-informativ-te-tregut-te-punes/>

Informatat.com: <http://www.informatat.com/sistemi-informativ-i-tregut-te-punes-tanime-ne-dispozicion-te-qtetareve/>

Bota Sot: <https://www.botasot.info/ekonomi-lajme/989645/sistemi-informativ-i-tregut-te-punes-tanime-ne-dispozicion-te-qtetareve/>

Shqip Time Mk: <https://sh.time.mk/c/cfde301859/lansohet-sistemi-informativ-per-tregun-e-punes.html>

Kosova Info: <http://kosova.info/2018/11/sistemi-informativ-i-tregut-te-punes-tanime-ne-dispozicion-te-qtetareve/>

Arbresh Info: <http://www.arbresh.info/lajmet/sistemi-informativ-i-tregut-te-punes-tanime-ne-dispozicion-te-qtetareve/>

Gazeta Tribuna: <http://www.gazetatribuna.com/zhvillim/sistemi-informativ-i-tregut-te-punes-tanime-ne-dispozicion-te-qtetareve/>

Epoka e Re: <https://www.epokaere.com/lansohet-sistemi-informativ-i-tregut-te-punes/>



## Annex 1. Summary of Financial Report January-December 2018 (EUR)

Donor	Total Budget Planned	Committed	Disbursed	Total Expenditures	Balance	UTL
<b>Gov. MLSW</b>	€ 458,142	€ 46,688	€ 395,648	€ 442,336	€ 15,806	97%
<b>Gov. MIA</b>	€ 629,185	€ 16,951	€ 506,571	€ 523,522	€ 105,663.5	83%
<b>Helvetas</b>	€ 36,151.58	-	€ 36,151.58	€ 36,151.58	-	100%
<b>GOV. MIA- SEP</b>	€ 877,729.93	€ 108,371	€ 733,626	€ 841,997	€ 35,733	96%
<i>Realized Loss</i>	-	-	€ 738	€ 738	<i>(738)</i>	
<i>Realized Gain</i>	-	-	<i>(1,182)</i>	(1,182)	€ 1,182	
<b>TOTALS</b>	€ 2,001,211	€ 172,011	€ 1,671,553	€ 1,843,564	€ 157,647	<b>92%</b>