

**Ministry of Labour and Social Welfare  
Ministry of Education Science and Technology  
United Nations Development Programme**

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## **Active Labour Market Programme for Youth**

(Employment Generation Project)

### **Annual Progress Report**

Narrative and Financial

**2011 Donor Agencies:** Government of Norway  
**Implementing Partners:** Ministry of Labour and Social Welfare (DLE)  
Ministry of Education Science and Technology (DVET)  
Partner enterprises  
**Start/End date:** December 2004 / December 2012

**Reporting Period:** **January – December 2011**  
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## I. EXECUTIVE SUMMARY

UNDP has continued to assist the Kosovo Institutions, particularly the Ministry of Labour and Social Welfare (MLSW), on building the capacity of the public employment services to provide individualised and targeted active labour market programmes, aimed at increasing the employment prospects of disadvantaged youth. Since 2007, the UNDP Employment Programme has been focused on implementing the *Youth Employment Action Plan*, specifically the outcomes under the heading, '*Preventing the exclusion of young people through targeted measures*'.

From January 2010 the programme is in line with the new Kosovo Youth Action Plan 2010 – 2012, focused on achieving the policy objective as specified in the Kosovo Youth Strategy under 6.3.8 '*Improve Employment opportunities for Youth*'. The programme has also recognized the need to support the Kosovo Institutions at the policy level to develop and implement sustainable employment policies through improved governance and policy-setting capacity. In line with the Kosovo priorities, ALMP is providing technical assistance to Ministry of Labour and Social Welfare, and other line ministries, to implement relevant parts of the *Kosovo Employment Strategy 2010 -2012*.

The recently published Kosovo Human Development Report (KHDR) 2011 has sought to define and explore the concept of social inclusion as it applies to Kosovo's socio-economic landscape. It analyzes how exclusionary policies and practices affect the economic sphere, both in terms of access to means of income and access to life's critical necessities. It examines exclusion as it affects Kosovans reaching for education and a basic standard of health. Finally, it looks at how gaps in these sectors are influencing public trust and eroding participation in Kosovo's hard-won democratic process. Among social groups feeling the impact of exclusion more than others, the KHDR identifies the long term unemployed, disadvantaged children and youth, rural women, RAE community and people with disabilities. These findings once again provide strong justification for the projects' selected target groups. The project activities are also in line with some of the main critical policy recommendations articulated in the KHDR towards promoting inclusive economic growth, specifically under chapter 2.4. of the report<sup>1</sup>:

iii. Equip vulnerable groups for decent work through:

- Implementation of Active Labour Market Programmes and other measures promoting employment;
- Focusing work-readiness programmes on long-term unemployed and new entrants to the job market;
- Introducing jobseeker schemes to prevent unemployment becoming long-term;

During 2011, ALMP has been taking part in the sector coordination efforts. The project activities are implemented in coordination with other donor funded projects, such as Lux- development, EC KOSVET VI, EC Technical Assistance to MLSW, World Bank and others working in the area of employability and supporting the MLSW to implement the Kosovo Employment Strategy. ALMP was involved in the VET SSWG and was a member of the working group focusing on strengthening the cooperation between VET schools and industry, together with ECLO, SDC, Swiss-contact, GIZ, DANIDA, Chamber of Commerce etc. The project is looking forward to continue strengthening the cooperation with the Centres of Competence.

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<sup>1</sup> KHDR 2010 report may be downloaded at <http://www.ks.undp.org/repository/docs/HDR-2010-English.pdf>

The project activities and main achievements during the reference period, January – December 2011, are:

**1. Provision of direct assistance to registered unemployed young women and men through a number of active labour market measures facilitating training and employment (MLSW)**

ALMP continues to concentrate its project strategy in improving youth employability and job creation through direct active employment measures, implemented in cooperation with Ministry of Labour and Social Welfare and mostly private sector companies. Active employment measures implemented during the reference period are: On-the-Job training, Internship Scheme and Institution and Enterprise based Training. During 2011, 614 potential beneficiaries were approved through Regional Board meetings, of which 566 have either completed or are undergoing training or internship at partner enterprises, institutions and NGOs.

Table 1: ALMP measures implemented

Type of active measures implemented	2011	Total	In % terms
Public works projects 2005 - 2006	-	3,194	34.28%
On the Job Training (OJT) 2007 – ongoing	282	2,434	26.12%
Pre-Employment Training (PET) 2007 – 2008	-	79	0.85%
Wage Subsidies (WS) 2005 - 2008	-	2,145	23.02%
Internship Scheme (ISch) 2006 - ongoing	245	1093	11.73%
Institution and Enterprise Training (IET) 2008 - ongoing	39	333	3.57%
Vocational Training (VT) 2007 - 2008	-	40	0.43%
<b>Total Beneficiaries Jan 2005 – Dec 2011</b>	<b>566</b>	<b>9,318</b>	<b>100%</b>

Source: ALMP project data

\*Highlighted active employment measures implemented in 2011



Dafina Buqinca found employment after doing her internship at Bler Production company in Gllgoc



Rina Trplak (deaf), during her on-job-training at the Nasa Shped company in Pristina

Some of the main characteristics related to our core group of project beneficiaries of component 1, during the 2011 implementation period are as follows:

- **In 2011, a total of 566 young jobseekers completed training and internship**
- **Gender participation: 57 percent young women beneficiaries**
- **Minority communities: participation stood at 9 percent**
- **Beneficiaries with primary education attainment and less, stands at 35.5 percent**
- **Ninety two percent of project beneficiaries are in the age group of 15 - 29 years**
- **People with disabilities: participation stood at 9 percent**
- **There has been a larger placement in trade, services and manufacturing sectors**
- **Beneficiaries from urban and rural areas are 48 percent and 52 percent respectively**
- **80 percent of approved beneficiaries were monitored at workplace or through direct phone contacts by the ALMP project team and employment counsellors**
- **According to project data 39% of contacted beneficiaries found employment upon completion of training**

**2. Provision of direct assistance to vocational education students by facilitating work-based learning schemes mainly in private sector partner enterprises in a gender equitable manner (MEST);**

During the first half of 2011, the project was principally concerned with ensuring that the Operations Manual/Guideline would be completed in a fully participatory manner. Therefore most efforts on this front during the first half of 2011 were to ensure that the actual trainings for VET students be guided by a sound policy framework (i.e. the Operations Manual) which addresses the complexity of implementing apprenticeship schemes from a variety of dimensions. As such, a smaller group with representatives from each party involved was nominated by the two Departments of the relevant Ministries to review and finalize the draft Guideline to 'Organize practice in enterprise for students at secondary vocational schools' prepared by the project based on the framework agreed during the joint workshop. The group was chaired by the representative from the VET division. The members of the group were: Regional Education Inspector (Peja), Municipal Education Director (Ferizaj), School Principle (Decan), Regional Employment Director (Gjilan) and Representative from the Kosovo Chamber of Commerce (Pristina).

The Project has also organized a meeting with other international agencies active in the area of vocational education and training, presented the draft Guideline and received comments that were later considered by the task force for incorporation in the final document.

The guideline enclosed as ANNEX -1 has been officially endorsed by the relevant departments at both Ministries (MEST and MLSW) to initiate the implementation of the activities.

During Sep – Dec, 2011 the project initiated implementation of the Guideline, and the following main results were achieved for 2011:

- **701** students of 12<sup>th</sup> grade have been approved to benefit from 10 vocational education schools
- Memorandums of Understanding have been signed with **85** enterprises for provision of professional practice to students
- Work place insurance has been covered for **701** students
- **10 Approval Boards**, were organised with representatives of school, employment offices, municipal education directorates, regional education inspectorates, private sector, representatives of parents and UNDP project members.
- Participation of young women stands at **30.5%**
- Participation from minority communities was **2.4 %**
- Students from families receiving social assistance is about **11.5%**
- Control Group has been established that shall be used as indicator to measure the success of the work done during the planned evaluation upon testing the guideline

The guideline will be tested with the support of the ALMP project and the activities shall continue in 2012. The aim is to provide practice opportunities for students but also address the issue of cooperation between schools and enterprises. The findings shall be considered during the revision of the guideline, which in the future is expected to serve as an official document in all VET secondary schools.



Student from VET School 'Mithat Frasheri' during professional practice at enterprise NTP Shkendija in Istog



Student from VET School 'Fehmi Lladrovci' during professional practice at enterprise Almakes Global Services in Glllogoc

### **3. Provision of technical assistance to the Ministry of Labour and Social Welfare and other relevant line ministries in implementing the Employment Strategy of Kosovo.**

In 2011, UNDP also provided technical support to facilitate the effective implementation of specific parts of the Employment Strategy of Kosovo related to national capacity to formulate, develop and implement policies aimed at generating sustainable employment. Crucial in this effort is to develop the infrastructure enabling central and local authorities in Kosovo to effectively gather relevant labour market information that can be effectively used for the design and implementation of employment policies. Such assistance

in the form of technical advice and support will be provided to the Ministry of Labour and Social Welfare and other line institutions, as required.

During the reference period, the project recruited an international expert to support the establishment of the Labour Market Information System (LMIS). The expert was requested to develop and finalize an actionable policy concept that addresses all relevant policy, institutional and regulatory aspects of establishing a functional Labour Market Information System, based on the particular context of Kosovo.

In line with the activities foreseen in the Employment Strategy, an inter-ministerial working group has been established with representatives from the ministries and institutions below, who have a key role in the functioning of the LMIS:

1. Ministry of Labour and Social Welfare
2. Statistical Office of Kosovo
3. Ministry of Education, Science and Technology
4. Ministry of Finance
5. Ministry of Economic Development
6. Ministry of Trade and Industry
7. Ministry of Public Administration
8. Kosovo Tax Administration
9. Pension Fund
10. Chamber of Commerce
11. Kosovo Business Alliance
12. University

Two working group meetings were organised and the draft Conceptual Framework for the LMIS<sup>2</sup> has been prepared based on these discussions and agreements between representatives of different ministries and institutions.

The report identifies the needs for establishing a LMIS for the country and the means by which the data and information provided under the LMIS could be disseminated. Drawing from "best practices" followed by other countries, the paper develops a concept for a Kosovo LMIS, organized within a labour supply-and-demand framework aimed at capturing the dynamics of the labour market. An annex extensively identifies the tabular data that should be collected from LMI producers that cover labour supply, labour demand, imbalances deriving from supply-and-demand interaction, and operation of the labour market, including on interventions by intermediaries to improve its functioning.

The concept is built on five main sections:

1. Labour Supply
2. Labour Demand
3. Labour Supply and Demand Imbalances
4. Operation of Labour Market
5. On-Line Job Vacancies and Training Opportunities

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<sup>2</sup> The final version of the LMIS Conceptual framework report is enclosed as ANNEX -2.

In order to support the Ministry of Labour and Social Welfare to establish the LMIS, the project facilitated the drafting of the Terms of Reference for the company to develop the LMIS software. A technical working group was established with colleagues from relevant ministries, respectively from the Ministry of Labour and Social Welfare (Shpetim Kalludra), Kosovo Tax Administration (Rifat Hyseni) with contribution from Ministry of Education Science and Technology (Enver Mekolli). The TOR was finalized with the support from the local IT consultant recruited who shall also be responsible to monitor the private company during the process of developing the LMIS software, in close cooperation with the MLSW focal point for the activity. The private company to develop the LMIS software has been selected through a competitive procurement process. The software shall be developed during the first half of 2012.

Another main priority of MLSW, identified in the Employment Strategy and the Sectoral Action Plan, is the functioning of the SIMP – the Public Employment Services Management Information System. One of the steps towards functioning is the digitalization of the unemployment registry. Considering the high number of unemployed registered with PES offices (above 300,000 individual registration cards), the MLSW requested support during the digitalization phase. The UNDP project supported the employment offices Kosovo wide, by placing 70 interns with ICT experience for a period of three months to make the digitalization process more efficient. By the end of 2011, two thirds of the unemployment cards have been registered in the SIMP system. By mid-February 2012, the whole registry is envisaged to be digitalized.

## II. SITUATION ANALYSIS

The unemployment rate in Kosovo is much higher compared to other countries in the regions and it is nearly twice as high as the average unemployment rate in the Western Balkans. Kosovo's labour force participation and employment rates are the lowest in the Western Balkan region (46.8% and 26.5% respectively), and are far below the EU average. Based on the published Labour Force Survey 2009, the unemployment rate in Kosovo is around 45.4 percent of the labour force<sup>3</sup>, despite extensive foreign assistance to support economic recovery. Unemployment in Kosovo principally affects youth, especially women, as well as those with limited education and those with no previous work experience, including people with disabilities and minority communities.

As Kosovo population is dominated by the younger age groups, youngsters will continue to add cumulative pressure to the labour market until Kosovo's demographic structure is transformed, which is years if not decades away. According to the LFS 2009, about 73 percent of the population in the 15-24 age group are unemployed<sup>4</sup>. Despite the relatively low participation rates, the unemployment rate among women is 11.6 percentage points higher than the overall labour force unemployment rate. The low level of education is correlated with the probability of being unemployed. For instance, nearly 55 percent of the registered unemployed possess less than secondary education. Another pressing characteristic of persistent unemployment is that around 82 percent of the registered unemployed have no working experience, which indicates the importance of the first contact with the labour market, or working experience in obtaining sustainable employment. Finally, a particular concern is the long average duration of unemployment. Nearly 85 percent<sup>5</sup> of the unemployed in 2009 had been without work for more than one year.

The current level of economic growth -- although it can be regarded as having been substantial in real GDP terms in the past three years, especially in the context of the global financial crisis and the performance of regional economies -- leaves the labour market with very low absorption capacity (reasons for this are many, including poor private sector performance) and unable to generate significant job creation opportunities to reverse the high unemployment rate. In this regard, a well-educated and skilled workforce is an essential factor that contributes to a sustainable level of economic growth and enduring competitiveness. The foreign inflows of capital are highly dependent on skilled labour force in place, capable to respond to foreign investor demands. Quality education and training that respond to the labour market requirements and needs are correlated with improving employment prospects, productivity and competitiveness.

In Kosovo, more than 60 percent of secondary schools<sup>6</sup> are vocational education schools. These schools provide a three years vocational education programme, preparing the youth to enter the labour market

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<sup>3</sup> 1.8 percentage points higher than as reported in LSF 2007 (SOK)

<sup>4</sup> According to MLSW labour market information data about 32% of the unemployed belong to 15-24 age group (Dec, 2010)

<sup>5</sup> According to LSF 2009, 6 out of 7 unemployed persons in Kosovo has been without a job for more than one year (SOK)

<sup>6</sup> There are 56 vocational education schools in Kosovo



as semi-qualified and qualified workers on 17 professional fields<sup>7</sup>. Most of these schools have little or no appropriate equipment to facilitate work-based learning, or vocational training, for students. There is also a gap between formal vocational education schools and the local economic environment that leaves about two-thirds of the students<sup>8</sup> without the opportunity to enrol in a practical work-based training scheme with public or private enterprises. Moreover, in most schools vocational courses and training is provided without taking into account the needs of the labour market. In addition, the management of schools largely depend on the commitment and the accountability of the school principals. The schools continue to have little autonomy to manage their administration and school financial resources. Most of the schools also lack textbooks and materials to plan, monitor and assess vocational training at enterprises. Although envisaging a dual academic and work-based learning system, the new curricula for vocational schools and the Law on Vocational Education and the mechanism envisaged within this law is rarely ever fully implemented, which UNDP has assessed as part of an external evaluation report. The Ministry of Education, Science and Technology (MEST) is expected to pursue the reform of vocational education to bridge the gap between formal education and training and the actual practice of skills. The reform will be built on three pillars: a) introducing niche schools called Centres of Competence; b) strengthening the link between school and work; and c) further reallocating responsibilities to schools. The Kosovo Education Strategic Plan 2011-2015 has recently been endorsed by the Ministry of Education, Science and Technology. The overall objectives in the area of Vocational Education and Training, set forward as MEST priorities are: a) To improve access to and the quality and relevance of VET provision for all; b) To improve the coordination and relevance to the labour market and to strengthen the institutional and management capacity of the VET system and the establishment of a sound financial basis for its long-term development and sustainability and c) To increase opportunities for training of early school leavers, upper secondary school learners and leavers and adults with insufficient schooling who cannot make it to the next school level, in order to enhance employment, especially for women and self-employment prospects together with developing the Centres of Competence are keys to this approach.

The Kosovo Government has adopted the Employment Strategy 2010 – 2012, which has become a central framework document. The strategy outlines the key labour market constraints to be addressed, particularly in the area of the investment climate, the education, skills and training system and the labour market institutions, regulations and policies. Establishment of effective labour market institutions to improve employability, ease transition in the labour market, contribute to better matching of demand and supply and help reintegrate vulnerable groups. This process implies undertaking several policy measures such as modernizing employment and training services and the development of a coherent Labour Market Information System (LMIS) and in line with the gender equality law on employment.

UNDP assisted the Kosovo Government, particularly the Ministry of Labour and Social Welfare since 2005, through the Active Labour Market Programme for Youth. The project's main objectives are to strengthen capacities of institutions mandated to provide employment and training services and provision of direct assistance to unemployed young women and men through implementation of active labour market programmes. With the project's support and through cooperation with organizations such as the ILO, labour market institutions are capable of providing a package of services comprising job-search

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<sup>7</sup> VET schools implement 92 profile specific curricula on 17 main professional fields (machinery, food technology, health, administration, agriculture, economics, electro-technical, energetics, production, graphics, tourism, communications, civil engineering, post-telecommunications, textile, metallurgy, chemistry)

<sup>8</sup> More than 50,000 vocational education students Kosovo wide

assistance, employment counselling, labour market training, and conducting skills' needs surveys to identify skills and competencies required from the labour market. For the past five years, the project has directly supported more than 9,000 young women and men jobseekers (45% and 55% respectively), through implementation of several active employment measures in cooperation with MLSW and more than 3,500 partner enterprises. The project has introduced flexible criteria to encourage participation of minority communities and has taken separate initiatives to support people with physical and mental disabilities in cooperation with the Associations of People with Disabilities by facilitating training/employment opportunities at private enterprises and institutions.

Findings from the external evaluation of the project, conducted in 2008, among other positive impacts, indicated that the project has doubled the chances of disadvantaged young women and men in finding employment. At the time of the survey, of the 46% of project beneficiaries that had found employment 44% were women beneficiaries. The cost benefit analysis also shows that the project generated a benefit that is over 1.42 times the cost.

### **III. PROJECT STRATEGY**

The project strategy revolves around three main axis:

1. Provision of direct assistance to registered unemployed young women and men through a number of active labour market measures facilitating training and employment (MLSW);
2. Provision of direct assistance to vocational education students by facilitating work-based learning schemes in mainly private sector partner enterprises in a gender equitable manner, and assistance to develop a broader-based and sustainable apprenticeship scheme (MEST);
3. Provision of technical assistance to the Ministry of Labour and Social Welfare and other relevant line ministries in implementing elements of the Employment Strategy of Kosovo that relates to public employment service reform.

As UNDP continues to concentrate its project strategy in improving youth employability and job creation through direct employment supporting instruments, it recognizes the need to support the Kosovo Government at the policy level to develop and implement sustainable employment policies through improved governance and policy-setting capacity. The adoption of the Employment Strategy of Kosovo has ensured that the donor community and the Government now have a referential policy framework within which to target their employment interventions, elevated at a more strategic level. Having an agreed policy framework on labour market policies will also assist channelling other technical and financial assistance in a more coherent and effective manner.

The project strategy closely corresponds with existing government strategies. First, the project is in line with the outcomes envisaged under the Government's Kosovo Youth Action Plan 2010 - 2012, focused on achieving the policy objective as specified in the Kosovo Youth Strategy under 6.3.8. 'Improve Employment Opportunities for youth'. As a result, the provision of active labour market measures will continue to address the achievement of the intended outcome of this particular government plan. Second, the interventions in the area of vocational training are based on the Law on Vocational Education

and Training and are in line with the Kosovo Education Strategic Plan 2011-2015<sup>9</sup>, recently endorsed by the Ministry of Education, Science and Technology. In addition, interventions in this area will be guided by a recently commissioned Evaluation Report by UNDP which makes recommendations in favor of institutionalizing the links between schools and the private sector through more structured policy responses. Third, the project's updated approach corresponds with the need to target institutional capacity building and the design of employment policies within the context of the Employment Strategy of Kosovo.

In addition, in response to a recently completed Evaluation Report, UNDP will continue to facilitate work-based training schemes, as well as to institutionalize the integration of apprenticeship schemes within the broader academic curricula of vocational schools. Work in this area will focus on developing policies that enable such institutionalization. Lastly, UNDP will continue to target people with disabilities and work with partner NGOs active in this area and the Associations of People with Disabilities to improve their socio-economic conditions, facilitate their inclusion to the labor market and to increase awareness about the integration of people with disabilities in the working life and in the Kosovo society.

Overall, the project strategy was designed to help achieve the intended outcome as stated in the UNDP Country Programme Results and Resource Framework, which states that ,“Relevant institutions have capacity and regulatory mechanisms in place to support economic development and generate sustainable employment in a gender-sensitive manner.” Moreover, to ensure appropriate responses to gender quality, especially in line with the UN Eight Point Agenda (SC 1325) --specifically point 6, Ensure gender – responsive recovery -- and in line with the UNDP Gender Equality Strategy Implementation, ALMP project will ensure that it provides equal training opportunities to men and women jobseekers and will encourage disadvantaged young women to undergo training, enhance their skills and therefore increase their employment prospects. The project is implemented in compliance with the Gender Equality Law in Kosovo, specifically articles under section heading: Employment and Education. To ensure equal participation of men and women, the project has set quota on gender participation of beneficiaries on a regional basis. The quota is monitored through Approval Board Meetings and during implementation process to ensure the target is achieved. The project experience has shown that with the right comprehensive approach, young unskilled women in rural and urban areas are reached and are provided assistance in skills development, to consequently ease the process of entering the labour market for the first time. This approach will remain an integral part of the overall strategy for 2011.

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<sup>9</sup> VET Target 1. By 2014 learners' professional practice is organized in close cooperation with enterprises and support provided to all for viable placements and a learners' career orientation and guidance system for all levels is in place (KESP 2011-2015)

#### **IV. TARGET GROUP and ELIGIBILITY CRITERIA (MLSW)**

The project's key target group remains the disadvantaged youth, although there is flexibility when it comes to high-at-risk groups such as people with disabilities and minority communities. The eligibility criteria for the inclusion of individuals and enterprises within the project scope of activities are defined on the basis of the following, key, labour market determinants:

- Age group: young people in the age cohort of 15 to 29 years of age. The programme envisaged 15 per cent of total beneficiaries would come from ethnic minorities and jobseekers with disabilities, due to the specific difficulties that they face in the Kosovo labour market. From the lessons learnt, as a response to the low participation rate of minority communities, the project recommended to have flexible criteria for the aforementioned group, raising the maximum age limit to 35; the same applies for people with disabilities;
- Length of unemployment spell: the minimum requirement is for beneficiaries to have been registered with the employment service for at least six months. The only exception is for the minority communities and people with disabilities. The length of unemployment is not applicable for returnees;
- Educational attainment: Priority will be granted to those young unemployed who have attained primary and less than primary education. Secondary education drop outs, as well as graduates, of general (non-vocational/non-professional schools) secondary schools are eligible to benefit from the project.; Newly-graduated university students are eligible to participate in the Internship Scheme;
- Gender: Young women are discriminated in the Kosovo labour market and occupational segregation is widespread. To promote equality of opportunities, a more active approach is needed with respect to unemployed young women. To this end, the project aims at maintaining the representation of young women as a share to the total number of project beneficiaries at 50%;
- Work experience: the project targets primarily first time job seekers with no prior work experience; and
- Household characteristics: priority will be granted to those young jobseekers belonging to households receiving social assistance (category II), or households in which two or more adult members are registered as unemployed and are willing to renounce the social assistance during the training period at an enterprise. Priority is given to single mother headed families.

The active measures envisage partnering with enterprises that require additional workforce. To ensure a maximum impact and as little distortion as possible (for instance, avoiding the displacement and the substitution of the pre-existing workforce already within an enterprise, and launching efforts to ensure that trainees are additional to new hires that would otherwise have been made), the screening of companies showing an interest to participate in the programme revolves around the following eligibility criteria:

- Economic sector: priority access is given to private enterprises operating in the manufacturing and agricultural sectors. Enterprises are required to be formally registered and in compliance with the Tax Administration laws. Such criteria were designed to avoid benefiting companies that operate in the informal economy and cannot guarantee the minimum requirements of employment protection (health and safety at the workplace, workers' rights, etc); and
- Workforce composition: partner enterprises shall have a minimum number of 1 + 1 paid workers (usually the owner, plus one worker as is common in Kosovo enterprises) to access the measures. Furthermore, they will be required to: i) make good faith efforts to retain the individual beneficiary at the end of the measure; ii) not to displace current employees or reduce their normal working hours; and iii) for training measures, put at disposal an experienced worker to supervise the individual beneficiary.

### **CONTROL GROUP**

In order to be able to measure the employment impact of facilitating training and internship for disadvantaged youth in private sector and institutions, to evaluate its effectiveness and calculate cost benefit analysis, the project has established a Control Group. Jobseekers that make up the control group are selected by the same criteria as those who benefit from the project. In this way, the two groups will have the same characteristics. In order to assess the effectiveness of facilitating the training, the two groups' will be researched and results compared. Depending on the results, the implementation process will be reviewed and adapted in order to increase its effectiveness. The total number of non-participants (control group) will be no less than 20% of end beneficiaries.

## V. INTENDED OUTPUTS, ACTIVITIES and MAIN ACHIEVEMENTS

### Output I - Employability and job creation among young women and men strengthened through direct active employment measures

#### **Activity 1 – Provide direct assistance to registered unemployed youth through a number of active labour market measures facilitating training and employment (MLSW)**

During the reporting period, the project, in cooperation with employment offices and vocational training centres, has continued implementation of active labour market measures, targeting unemployed youth who fulfil the criteria set and are eligible to benefit. The project has continued to apply flexible criteria to ensure participation of most vulnerable groups among unemployed facing greater difficulties in entering labour market: namely women, minority communities and people with disabilities. The flexible criteria, the awareness-raising at employment offices, the fixed quotas set in terms of participation ratio have shown to be positive efforts in ensuring inclusiveness of the most vulnerable groups.

During 2011, the project facilitated training opportunities for a total of **614** disadvantaged young jobseekers Kosovo-wide, of which **566** have either completed or are still attending approved training at the enterprises. Details on the active employment measures implemented in cooperation with MLSW during period and beneficiary main characteristics are elaborated below.

#### ***1.1. On-Job-Training (OJT) – 282 beneficiaries***

Table 2: OTJ beneficiaries in 2011

<b>Total placement</b>	<b>Target reached</b>	<b>Women</b>	<b>Minorities</b>	<b>People with disabilities</b>
<b>282</b>	<b>112%</b>	<b>54%</b>	<b>15%</b>	<b>17%</b>

Source: ALMP Project data

During the reference period, employment mediation in cooperation with Ministry of Labour and Social Welfare has continued through the On-Job-Training scheme. The target group are young jobseekers who are registered as unemployed for a minimum of six months have no or little skills, and no previous work experience. The measure envisages a three months training period at enterprises in occupational profiles matching with Individual Employment Plans of jobseekers, prepared by employment centres. Potential OJT beneficiaries are offered counselling and job-search assistance. Individual Employment Plans are prepared by counsellor and jobseekers jointly, followed by a period of 4 weeks individual job-search in the labour market, before becoming eligible to participate in the scheme. Priority was given to beneficiaries from rural areas.

Jobseekers that do not succeed in finding employment opportunity during the job-search period and come back to the employment offices are considered as potential project beneficiaries that require further support in finding a job through employment mediation. The employment counsellors identify enterprises that are willing to cooperate and provide training opportunities for disadvantaged young jobseekers. Regional board meetings are organised to review the training applications prepared for endorsement.

During the reference period, through regional board meetings, 312 jobseekers in 26 municipalities Kosovo-wide were approved to benefit from the project, of which **282 jobseekers**<sup>10</sup> are still attending or have by now completed the training foreseen. The training takes place at the enterprise premises, and is governed by the Training Plan prepared by VTC trainers in cooperation with the enterprise. Participation of young women beneficiaries in the scheme stands at 54 percent, whilst minority communities' participation is 15 percent. From the total approved in this scheme, 48 persons are with disabilities or 17 percent of OJT beneficiaries, attending training at enterprises. The project beneficiaries upon completion of the training are assessed by VTC trainers against their Training Plans and are awarded official VTC Certificates for completion of training.

### **1.2. Internship Scheme (ISch) – 245 beneficiaries**

Table 3: Internship Scheme beneficiaries in 2011

<b>Total placement</b>	<b>Target reached</b>	<b>Women</b>	<b>Minorities</b>	<b>People with disabilities</b>
<b>245</b>	<b>124%</b>	<b>66%</b>	<b>3%</b>	<b>.4%</b>

Source: ALMP project data

The internship scheme creates opportunities for new university graduates to acquire the necessary work experience by practicing their gained theoretical knowledge in their respective field through daily engagement in the private sector companies or public institutions. Interns gain the skills, knowledge, and ability which are essential to perform in the workplace and become self-sustained in terms of their employability potential, without relying on further employment subsidy schemes.

During the period to the end of June, a total of 259 university graduates were reached through approvals by the Regional Boards, of which **245 young graduates** completed or are pursuing internships at various institutions and enterprises, which match their degrees attained at University. The internship period has been extended to six months, as requested and agreed with the MLSW, based on the argument that the employment impact will be much higher if the interns have the opportunity to attend internships for a period of six months rather than four. The gender participation remains the highest for the scheme - 66 percent young women beneficiaries, while participation of minority communities and people with disabilities remains low in this scheme.

<sup>10</sup> The other 40 potential beneficiaries, categorized as 'passive' have either left the training for personal reasons, family obligations, found employment during the training period or have been found to not comply with the criteria and responsibilities as assigned per MOU signed between parties.

### **1.3. *Institution- and Enterprise-based Training (IET) – 39 beneficiaries***

Table 4: IET beneficiaries in 2011

<b>Total placement</b>	<b>Target reached</b>	<b>Women</b>	<b>Minorities</b>	<b>People with disabilities</b>
<b>39</b>	<b>26%</b>	<b>66%</b>	<b>3%</b>	<b>.4%</b>

Source: ALMP project data

The measure, initially designed following the recommendations of the assessment done by ILO, has been tested and implemented during 2009 and 2010, and about 230 young jobseekers were supported through this scheme. However, due to the challenges encountered during the implementing phase, the project together with the VT Division have amended the measure so that it meets the actual circumstances and is feasible with the services that could be provided by VTC centres at this stage.

The main changes applied after several consultations, implemented during the July-December 2011 were:

- The jobseekers should be certified at VTC<sup>11</sup> centres in one of the profiles offered by these centres
- The VTC certified trainees that didn't have the opportunity to attend any work-based training or practice for a period of 6 months after awarded the certificate
- Low educational attainment (primary or less than and general secondary or less)
- Advantages shall be given to skills based profiles
- The training period at the enterprise is 2 months<sup>12</sup>.

However, despite the changes introduced, the performance of the measure was low. During the second half of 2011, there have been only 39 placements (26% of the targeted 150 potential beneficiaries). One of the impediments faced by employment offices to reach the target is the lack of persons with limited education and without previous work experience among VTC graduates. This may be considered as an indicator that persons benefiting from trainings organized by VTC are not the most vulnerable among registered unemployed jobseekers.

### **1.4. *General characteristics of project beneficiaries during January – December 2011***

Comparing the reference periods of the two consecutive years of the project implementation, slight variation is notable in the participation levels of female, minority community beneficiaries and people with disabilities.

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<sup>11</sup> In the previous tested IET measure, candidates eligible to benefit were unskilled, with low educational background

<sup>12</sup> The decision to shorten the training period has been taken based on two arguments: a. the difference of the IET target group and the OJT target group in terms of their level of skills(OJT target group are unskilled; IET target group are VTC certified disadvantaged candidates) and b. to have unified implementing process with similar measures implemented with support from other donor agencies to avoid confusion within local PES and VTC offices

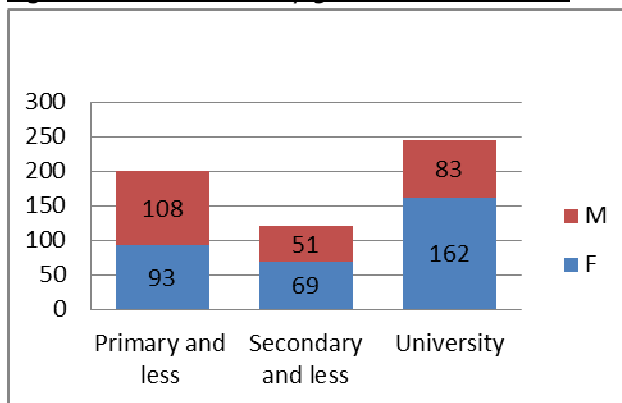


### 1.4.1. Gender

There has been a noticeable positive change in terms of women jobseekers ratio benefiting from the project by enhancing their longer-term employment prospects through training at enterprises, compared to previous years. During 2011, **57% of project beneficiaries were disadvantaged young women**, whilst in the previous reference periods: 52% in 2010 and 46% in 2009. This increase is attributed to the project's deliberate efforts to provide equality of opportunity to women who are faced with discriminatory practices whilst seeking to find jobs.

In line with the UN Eight Point Agenda 2007 – SC 1325 specifically point 5, "*Promote gender equality in disaster risk reduction*" and point 6, "*Ensure gender – responsive recovery*," ALMP project has ensured to provide equal training opportunities to men and women jobseekers and has encouraged disadvantaged young women to undergo training, enhance their skills and therefore increase their employment prospects. The project has shown that with the right approach young unskilled women in rural and urban areas can be reached and provided with support in skills development and entering the labour market for the first time.

Figure 1: Beneficiaries by gender and education



Source: Project data

In terms of location, the project has reached an equal number of women from urban and rural areas, 45 percent and 55 percent respectively. In terms of educational attainment, in line with the project target group, 50 percent<sup>13</sup> of young women undergoing training are with secondary education or less.

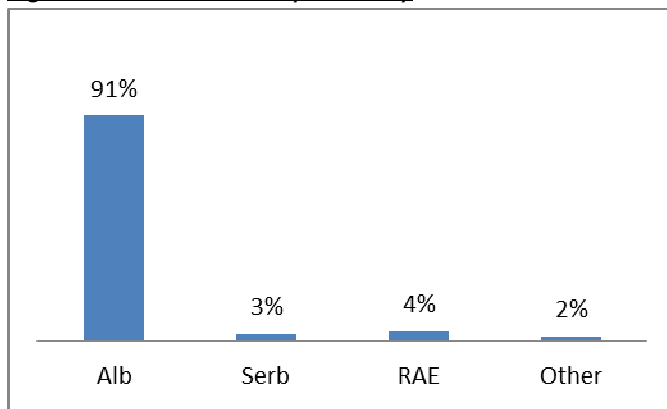
### 1.4.2. Ethnic community structure

Minority communities still hesitate to approach employment offices to seek for assistance in finding employment. Despite the positive developments on the image of PES through interventions of several donor funded projects implementing active employment measures, a general perception continues to exist on the level of support the employment offices can offer in finding employment. In addition, the reluctance particularly of the Kosovo Serb community to register as jobseekers with Kosovo's public employment services continues to be an important reason why this ethnic group does not benefit more

<sup>13</sup> 50 percent of young women are university graduates benefiting through Internship scheme

from the project activities. According to the MLSW report, only 9.5%<sup>14</sup> of the newly registered as jobseekers in 2010 are from minority communities (of which 31% are Serb). Further, based on the latest Labour Force Survey, 9 percent of the overall registered unemployed are from minority communities. Though the project is designed to treat the disadvantaged group among the long-term unemployed registered as jobseekers with the employment offices, in order to encourage higher participation of minority communities in the project, flexible eligibility criteria have been introduced (minimum registration period, age limit etc).

Figure 2: Beneficiaries by ethnicity



Source: Project data

Compared to the previous implementation period, a slight change<sup>15</sup> in the level of minority communities benefiting from the project is noted. During the reference period, 9 percent of project beneficiaries are from minority communities. The project team has reinforced the importance of minority communities' participation in the schemes during the meetings organised in the beginning of the new implementation period with employment office counsellors and persisted that at least 10 percent of the project beneficiaries in 2011 are from minority communities. Job search assistance and counselling, training/employment opportunity at private and public enterprise was offered to 366 young jobseekers, of which, according to project data on ethnicity structure, 91% are Albanians, 3% Serbian, 4% RAE and 2% from other communities (Bosnian, Goran and Turkish).

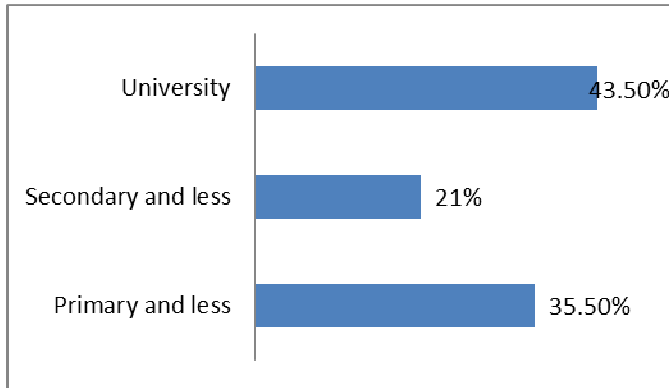
### **1.4.3. Educational attainment**

More than 60 percent of registered jobseekers at employment offices are unskilled or semi-skilled. Project beneficiary database shows that the largest number of scheme participants belongs to this group. The table shows that skills level among beneficiaries is: around 35.5 percent with less than primary and only with primary education, 21 percent are less than secondary and secondary education, while 43.5 percent of project beneficiaries facilitated through internship scheme are university graduates.

<sup>14</sup> MLSW PES Labour Market Information Report Dec, 2010

<sup>15</sup> In 2010, the participation of minority communities was 12% therefore a small decrease is noted.

Figure 3: Beneficiaries by level of education

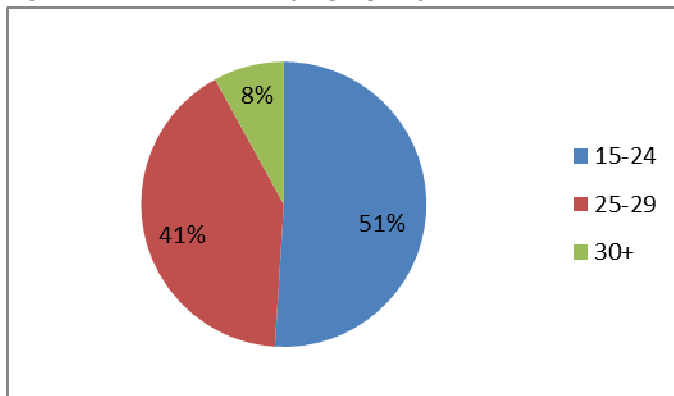


Source: Project data

#### 1.4.4. Age

Participation in the active employment policies, in regards to age groups, is consistent with the project target group. The project data show that 51% percent of project beneficiaries belong to the 15 – 24 age-group and 41% belong to 25-29 age group and 8% are on their 30ties and above.

Figure 4: Beneficiaries by age-group

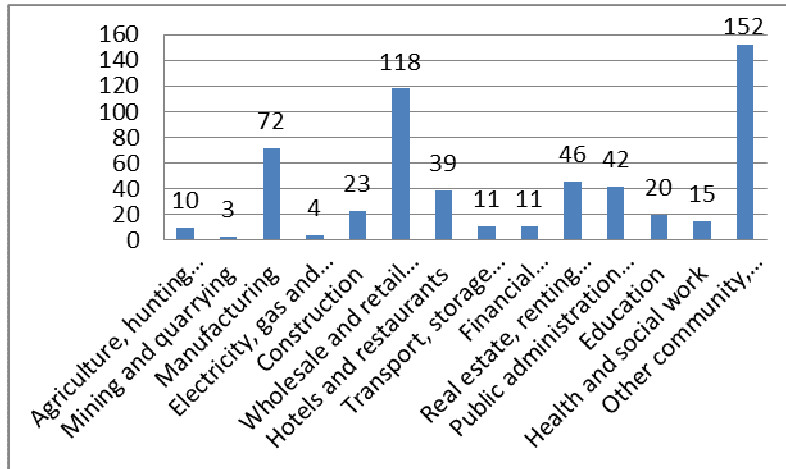


Source: Project data

#### 1.4.5. Placement by Main group of NACE

There have been no significant changes related to the demands in the labour market; the placement of the largest number of ALMP beneficiaries during the reference period remains in the enterprise with their main activity being 'Other community, social and personal service activities (27% of beneficiaries)'; 'Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods trade (20% of beneficiaries)'; followed by 'Manufacturing (13% of project beneficiaries)'. More detailed information is shown in the Figure 5 below:

Figure 5: Placement of beneficiaries by NACE



Source: Project data

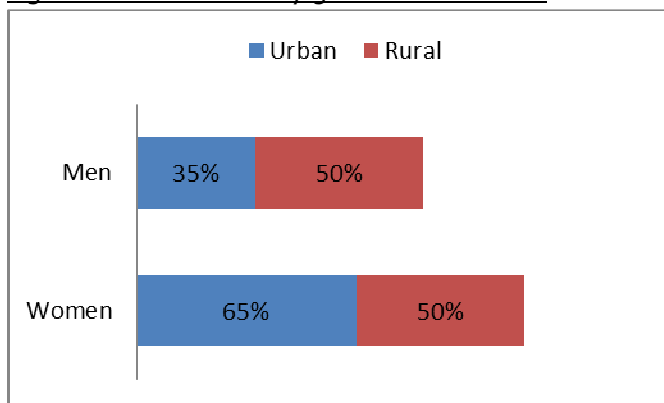
#### 1.4.6. Placement by Main group of Occupation

The project has extracted the data of beneficiaries' placement by Occupation. From the 366 trainees and interns, the largest number of beneficiaries is categorized under 'Administrator (24% of total)' 'Demonstrator, Sale (10% of total)'; 'Carpenter, furniture (10% of total); 'Lawyer (9% of total) and 'Helper, Kitchen (8% of total).

#### 1.4.7. Location of beneficiaries and regional absorption capacity

ALMP for Youth is implemented in all Kosovo municipalities. During the reference period, beneficiaries have been approved in 26 municipalities. In terms of urban rural distribution of beneficiaries, there has been no significant shifting from the previous years. During 2011, the participation of beneficiaries living in rural and urban areas is 52 and 48 percent respectively. As in the Figure 6, the disaggregated data by location and gender shows slightly higher participation of women from urban areas and higher participation of men from rural areas.

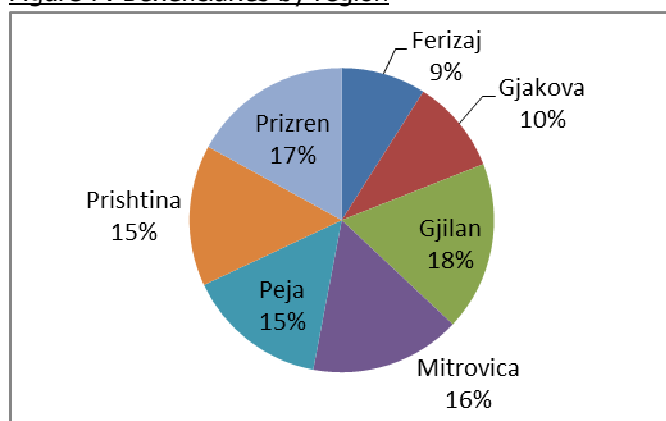
Figure 6: Beneficiaries by gender and location



Source: Project data

The employment office absorption rates vary at regional levels, principally subject to the labour market demand, and partially from the performance of the employment offices. The regional share of jobseekers benefiting from the project in 2011 is: Ferizaj 9 percent, Gjakova 10 percent, Gjilan 18 percent, Mitrovica 16 percent, Peja 15 percent, Pristina 15 percent and Prizren 17 percent of total project beneficiaries.

Figure 7: Beneficiaries by region



Source: Project data

The ratio of possible number of beneficiaries per region has been calculated based on the regional performance and absorption rate during project implementation in 2010. The table below shows the distribution of training and internship opportunities per region and percentage of reaching the target per region:

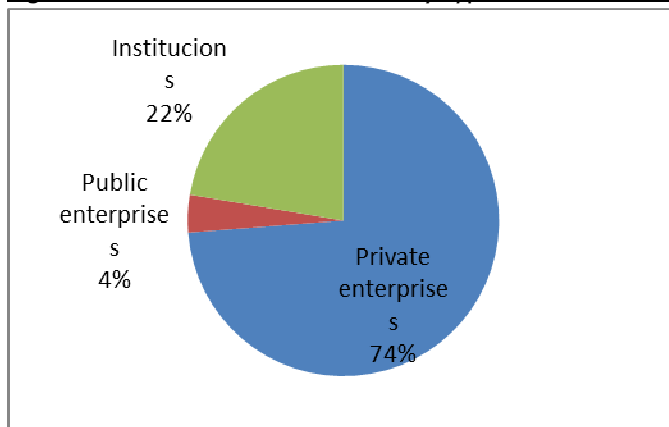
Table 5: Approved vs Planned beneficiaries by region

Regional Centres	Targets for 2011	On Job Training			Internship Scheme			Instit & Enterprise Training		
		Target	Approved	%reached	Target	Approved	%reached	Target	Approved	%reached
Prishtinë	100	42	47	112%	33	40	121%	25	0	0%
Gjilan	128	54	54	100%	42	44	105%	32	1	3%
Mitrovicë	95	40	47	118%	31	42	135%	24	4	17%
Gjakovë	43	18	28	156%	14	23	164%	11	7	64%
Prizren	95	40	36	90%	31	37	119%	24	21	88%
Pejë	88	37	42	114%	29	40	138%	22	1	5%
Ferizaj	52	22	28	127%	17	19	112%	13	5	38%
<b>Total</b>	601	252	<b>282</b>	112%	198	<b>245</b>	124%	151	<b>39</b>	26%

Source: Project data

The 566 project beneficiaries have undertaken training and internship at 450 establishments, of which 371 are private enterprises, 17 are public enterprises and 62 public institutions (mostly municipalities).

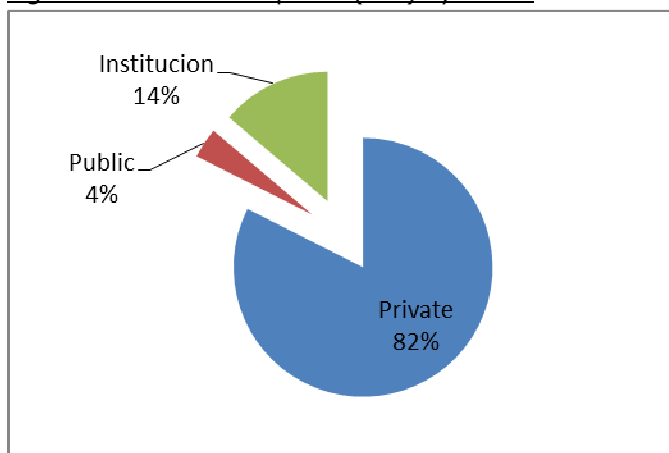
**Figure 8: Number of beneficiaries by type of establishment**



Source: Project data

The share of beneficiaries per type of establishment is in line with the project objectives: 74 percent in private companies, 4 percent in public institutions and 22 percent in public companies. The project team has monitored beneficiaries in 233 enterprises Kosovo wide, about 50% of total partner companies, through visits at workplace.

**Figure 9: Partner enterprises (450) by sector**



Source: Project data

#### **1.4.8. Regional Board Meetings and Approvals**

During the reference period 34 Regional Board Meetings have been conducted. Each board is organised with the participants present: Employment Office Directors and Counsellors, Vocational Centre Directors, VTC Trainers and ALMP project members.

Application documents prepared for potential beneficiary enterprises and jobseekers were reviewed in these meetings and in 7 regions of Kosovo, 614 beneficiaries were approved through board meetings. From this total, 566 beneficiaries have either completed or are attending training and internship period at institutions or enterprises. The other 48 potential beneficiaries approved by the Board Members during

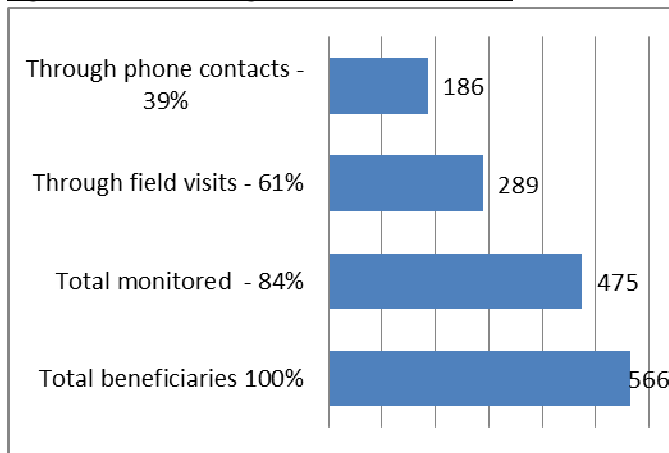
the period have become 'passive' beneficiaries – they have left the training for personal reasons, have found employment during the training or are found to have not complied with the project criteria during monitoring, hence the agreement terminated. The employment counsellors or the beneficiaries themselves provided written justification for the approved trainees that have not completed the foreseen training period as agreed in the MOU signed. This implies that from the targeted beneficiaries for the reference period, 92 percent have completed or are attending the foreseen training.

#### **1.4.9. Monitoring**

The team has continued monitoring beneficiaries of 2010, whose training or internship end date was due in the first quarter of 2011. During the reference period, the project undertook 95 field monitoring visits and conducted 503 phone monitoring checks. The phone monitoring was mostly done for the interns, as the same are contacted each month upon submission of request for compensation from their side, before any payment is processed.

Subsequent to new approvals in 2011, the ALMP team, jointly with employment counsellors, monitored about 84 percent of the beneficiaries through visits at workplace and phone contact. During 2011, 289 approved beneficiaries were visited at 233 establishments in 7 regions. Of the 475 beneficiaries monitored, 60 percent were visited at workplace and 35 percent have been contacted by phone with the purpose of verifying their attendance, their satisfaction with the training provided, regular receipt of monthly payments by the enterprise etc.

**Figure 10: Monitoring of 2011 beneficiaries**



Source: Project data

#### **Impact on employment - Project data**

The project team has contacted the beneficiaries upon completion of training envisaged to collect information from beneficiaries on their satisfaction with the training provided and to check whether they remained at work after training/internship period. Out of 566 beneficiaries of 2011, about 60% have been contacted after training completion. From the beneficiaries contacted 39% claimed to have found employment upon completion of training. The Project information on employment of beneficiaries per region and scheme are shown below:

Table 6: Beneficiaries employed by region and type of scheme

Region	Total	OJT	IET	Internship
Pristina	23	18	-	5
Gjilan	22	19	-	3
Mitrovica	9	6	-	3
Gjakova	16	14	1	1
Ferizaj	13	13	-	-
Prizren	23	19	2	2
Peja	24	20	1	3
<b>Total</b>	<b>125</b>	<b>105</b>	<b>4</b>	<b>17</b>
	<b>100%</b>	<b>84%</b>	<b>3%</b>	<b>13%</b>

Source: Project data

The project's impact on employment is different depending on the active measure implemented. The performance of the internship scheme and the Institution and Enterprise based Training remains to be much lower than the On the Job training measure. The performance of the Internship scheme is partly explained with the fact that most of the interns contacted have pursued higher education hence have not been interested to continue working or seek employment in another company. Whilst for the Institution and Enterprise based Training, the performance is another strong reason to review this active employment measure and adjust to the needs in the labour market.

Table 7. Performance of the schemes

Schemes	OJT	IET	Intern	Total
Employed	105	4	17	<b>126</b>
Checked	196	24	101	<b>321</b>
Performance	54%	17%	17%	<b>39%</b>

Source: Project data



Table 8: Beneficiaries by region, municipality, gender, ethnicity and people with disabilities

Region	Municipal	On-the-Job Training				Inst. & Enterp. Training				Internship			
		M	F	Min	PwD	M	F	Min	PwD	M	F	Min	PwD
Ferizaj	Ferizaj	3	7	1		1	2			3	8		
	Kacanik		7			1	1			1	2		
	Shterpcë	4	2	3						1	1	2	
	Shtime	2	3							1	2		
<b>Total</b>	<b>52</b>	9	19	4	0	2	3	0	0	6	13	2	0
Gjakovë	Decan	5	2							3	3		
	Gjakova	11	5	4	5	3	4	1		2	11	1	
	Malisheve	5			1					4			
<b>Total</b>	<b>58</b>	21	7	4	6	3	4	1	0	9	14	1	0
Gjilan	Gjilan	11	14	4	5	1				11	23		
	Kamenicë	9	9	5	1					1	1		
	Viti	4	7	1	2					3	5		
<b>Total</b>	<b>99</b>	24	30	10	8	1	0	0	0	15	29	0	0
Mitrovicë	Mitrovica	10	16	2	9	1	1			8	10		
	Skenderaj	1	9			1				5	8		
	Vushtrri	4	7		2	1				6	5		
<b>Total</b>	<b>93</b>	15	32	2	11	3	1	0	0	19	23	0	0
Pejë	Istog	2	6	1	3					2	6		
	Kline	5	2							3	3		
	Peja	10	17	6	2	1				7	19		
<b>Total</b>	<b>83</b>	17	25	7	5	1	0	0	0	12	28	0	0
Prishtinë	F. Kosovo	5		4							1		
	Gllogovc	4	9		2					2	6		1
	Gracanica									1		1	
	Lipjan	7	3	3	1						3		
	Obiliq	2	3	1						2	4		
	Podujeva	2									2		
	Prishtina	9	3		11					3	16		
<b>Total</b>	<b>87</b>	29	18	8	14	0	0	0	0	8	32	1	1
Prizren	Dragash	4		2		7		1		5		1	
	Prizren	8	13	3	2	7	1		1	5	15	2	
	Rahovec	1	1	1	1	1				2	2		
	Suhareke	3	6		1	3	2			2	6		
<b>Total</b>	<b>94</b>	16	20	6	4	18	3	1	1	14	23	3	0
<b>Total all Regions</b>		<b>131</b>	<b>151</b>	<b>41</b>	<b>48</b>	<b>28</b>	<b>11</b>	<b>2</b>	<b>1</b>	<b>83</b>	<b>162</b>	<b>7</b>	<b>1</b>
		<b>282</b>				<b>39</b>				<b>245</b>			

Target	600	100%
Approved	614	102%
Completed/Active	566	94%
Women	324	57%
Minorities	50	9%
People with disabilities	50	9%

Source: Project data

## **Output II – Employment prospects improved for vocational education students through promoting work-based training schemes in a gender equitable manner**

### **Activity 2 – Support vocational education students to ease the school to work transition through facilitating work-based apprenticeship schemes in mainly private sector partner enterprises (MEST)**

In line with the Law on Professional Vocational Education no. 02/L-42, ALMP project, jointly with implementing partners MEST and MLSW, has tailored a measure aiming at improving facilitation of work-based training or apprenticeships for formal vocational education students. This pilot-project intended to impact and to reverse the high unemployment rate in a preventive aspect through further development of students' skills to enhance employment opportunities among youth.

#### **2.1. Drafting and Endorsement of the 'Guideline to organise professional practice in enterprises for VET students'**

During the first half of the year, the project was principally concerned with ensuring that the Operations Guideline would be completed in a fully participatory manner. Therefore most efforts on this front during the first half of 2011 were to ensure that the actual trainings for VET students be guided by a sound policy framework (i.e. the Operations Manual) which addresses the complexity of implementing apprenticeship schemes from a variety of dimensions. As such, a smaller group with representatives from each party involved has been nominated by the two Departments of the relevant Ministries to review and finalize the draft Guideline to 'Organize practice in enterprise for students at secondary vocational schools' prepared by the project based on the framework agreed during the joint workshop. The group was chaired by the representative from the VET division. The members of the group were: Regional Education Inspector (Peja), Municipal Education Director (Ferizaj), School Principle (Decan), Regional Employment Director (Gjilan) and Representative from the Kosovo Chamber of Commerce (Pristina).

The Project has also organized a meeting with other international agencies active in the area of vocational education and training, presented the draft Guideline and received comments that were later considered by the task force for incorporation in the final document.

The guideline enclosed as ANNEX -1, has been officially endorsed by the relevant departments at both Ministries (MEST and MLSW) to initiate the implementation of the activities.

The guideline is being tested with the support of the ALMP project at the start, so that it addresses the issue of cooperation between school and business. During this phase, the difficulties encountered during the implementation of activities will be noted in order to take them into consideration during the revision of the guideline, which in the future is expected to serve as an official document in all VET secondary schools.

Separate induction trainings were organized at the regional level for the schools preselected as potential beneficiaries, the relevant Municipal Education Directors, Regional Education Inspectors and representatives from the private sector (OEK regional offices). The necessary material has been distributed during the meetings and the parties were advised to initiate pre-selection of students. The

schools preselected by Regional Education Inspectorates and approved by the VET division, including the number of potential students to benefit from the project is shown in the table no. 9 below:

Table 9: Preselected schools to cooperate with the project

Schools per Region	Total students in school	Total students 12th grade	Potential project beneficiaries proportionally
<b>Pristina Region</b>			
SHME"Gjin Gazulli", Pristina	1,177	268	72
SHMHT "7 Shtatori", Pristina	311	71	20
SHME "Isa Boletini", Podujevo	1,844	520	138
SHMT "Hasan Tahsini", Obiliq	672	153	40
SHMT "F.Lladrovci", Drenas	1,902	499	132
<b>Gjilan Region</b>			
SHMT "Andrea Durrsaku", Kamenica	774	251	66
SHMT "Januz Zejnullahu", Viti	1,315	386	102
<b>Gjakova Region</b>			
ShMT "N. Nixha", Gjakova	795	189	50
ShME "K.Kusari", Gjakova	1,130	432	114
<b>Mitrovica Region</b>			
SHMT "Arkitekt Sinani", Mitrovica	684	238	64
SHMT "Lutfi Musiqi", Vushtrri	1,485	322	86
SHMT "Anton Çetta", Skenderaj	1,952	496	132
<b>Prizren Region</b>			
SHMT "Gani Çavdërbasha", Prizren	1,500	315	84
SHMT "Skender Luarasi", Suhareka	1,932	576	154
<b>Peja Region</b>			
SHMT "Shaban Spahija", Peja	1,398	343	84
SHMT "Fehmi Agani", Klina	1,120	255	68
SHMT "Mithat Frashëri", Istog/Gurrakoc	920	213	56
<b>Ferizaj Region</b>			
SHMT "Pjetët Bogdani", Ferizaj	985	294	78
SHME "Faik Konica", Ferizaj	2,000	616	164
SHMB "Zenel Hajdini", Ferizaj	1,100	370	98
SHMP "Adem Gllavica", Lipjan	1,650	469	124
SHMP "F.G dhe vëllezërit Qaka", Kaçanik	982	275	74
<b>Total</b>	<b>27,628</b>	<b>7,551</b>	<b>2000</b>

Source: Project data

## **2.2. Implementation of the Guideline**

Despite the preselection of the schools by MEST, during the implementation there have been delays in the process of preselection of students and preparation of the necessary documents as foreseen in the Guideline. However, during the reference period, the following results have been achieved:

- **701** students of 12<sup>th</sup> grade have been approved to benefit from 10 vocational education schools
- Memorandums of Understanding have been signed with **85** enterprises for provision of professional practice to students
- Work place insurance has been covered for **701** students
- **10 Approval Boards**, were organised with representatives of school, employment offices, municipal education directorates, regional education inspectorates, private sector, representatives of parents and UNDP project members.
- Participation of young women stands at **30.5%**
- Participation from minority communities is low: **2.4 %**
- Students from families receiving social assistance is about **11.5%**
- Control Group has been established that shall be used as indicator to measure the success of the work done during the planned evaluation upon testing the guideline

Details on the implementation of the 'professional practice in enterprise' at the regional level

### **2.2.1 Prishtina Region**

Table 10: Students undergoing professional practice at enterprises by school/profile

School/ Municipality	Profiles	No. of students in practice	No of enterprises	No of girls	Social assistance
SHMHT "7 Shtatori" Prishtinë	Tourism Assistant	20	2	16	2
SHMT "Hasan Tahsini", Obiliq	Mining	41	2	15	9
	Geology				
	Chemistry lab. ass.				
	Accounting				
SHMT "F.Lladrovci", Drenas	Road traffic	131	10	26	23
	Heating/air conditioning				
	Production operator				
	Metal production				
	Chemistry lab. ass.				
	Auto mechanic				

Source: Project data

### 2.2.2 Peja Region

Table 11: Students undergoing profesional practice at enterprises by school/profile

School/ Municipality	Profiles	No. of students in practice	No of enterprises	No of girls	Social assistance
SHMT "Mithat Frashëri" Istog	Metal manufacturing	43	2	10	0
	Informatics				

Source: Project data

### 2.2.3 Prizren Region

Table 12: Students undergoing profesional practice at enterprises by school/profile

School/ Municipality	Profiles	No. of students in practice	No of enterprises	No of girls	Social assistance
SHMT "Gani Çavdërbasha", Prizren	Road traffic	77	15	3	14
	Auto- mechanic				
	Tele -communication				
	Electrical installation				
	Water supply and sewage system installation				
	Geodesy				
	Metal manufacturing				
Heating/air conditioning					
SHMT "Skender Luarasi" Suharekë	Food technology	124	26	48	0
	Accounting				
	Electrical installation				
	Chemical technology				
	Geodesy				
	Architecture				
	Informatics				
	Buss. Administration				
	Auto mechanics				
	Heating installation				
	Road traffic				
	Food technology				

Source: Project data

## 2.2.4 Mitrovica Region

Table 13: Students undergoing profesional practice at enterprises by school/profile

School/ Municipality	Profiles	No. of students in practice	No of enterprises	No of girls	Social assistance
SHM Lutfi Musiqi  Vushtrri	Production operator	85	8	23	15
	Auto-mechanics				
	Road traffic				
	Mechatronics				
	Water supply and sewage system installation				
	Electric machinery operator				
	Electrical Installation				
SHM Arkitekt Sinani Mitrovice	Welder and construction ass.	65	12	13	18
	Food technology				
	Chemistry lab assist.				
	Metal manufacturing				
	Road traffic				
	Auto-mechanic				
	Production operator				

Source: Project data

## 2.2.5 Gjakova Region

Table 14: Students undergoing profesional practice at enterprises by school/profile

School/ Municipality	Profiles	No. of students in practice	No of enterprises	No of girls	Social assistance
SHM Kadri Kusari Gjakove	Legal Assistant	115	8	60	0
	Bank and Insurance				
	Law				
	Accounting				
	Shpedicion				

Source: Project data

### **Output III – Capacity of relevant labour market institutions strengthened through technical assistance provided in implementing Employment Strategy of Kosovo**

While the central focus of the project continues to be the implementation of active labour market measures generating employment opportunities and boosting youth employability, UNDP is providing technical support to facilitate the effective implementation of specific parts of the Employment Strategy of Kosovo related to national capacity to formulate, develop and implement policies aimed at generating sustainable employment. Crucial in this effort is to develop the infrastructure enabling central and local authorities in Kosovo to effectively gather relevant labour market information that can be effectively used for the design and implementation of employment policies. Such assistance in the form of technical advice and support was provided to the Ministry of Labour and Social Welfare and other line institutions, as required.

#### **Activity 3.1. Assist the MLSW to Establish a Functional Labour Market Information System (LMIS)**

As a follow-up to the 2010 comprehensive assessment of the state of Public Employment Service, during the reference period the project recruited an experienced international expert to support the establishment of the Labour Market Information System. The expert was requested to develop and finalize an actionable concept that addresses all relevant policy, institutional and regulatory aspects of establishing a functional Labour Market Information System, based on the particular context of Kosovo.

The assignment comprised of a desk review, followed by a mission in Prishtina to assess the current institutional mechanisms and capacities in place (with a view to identifying ways in which institutional shortcomings can be addressed) and to identify all relevant needs, including additional ones that are not addressed in the MSLW draft concept, to establish a functional LMIS, including a software system required.

In line with the activities foreseen in the Employment Strategy, an inter-ministerial working group has been established with representatives from the following ministries and institutions, who have a key role in the functionality of the LMI system.

1. Ministry of Labour and Social Welfare
2. Ministry of Education, Science and Technology
3. Statistical Office of Kosovo
4. Ministry of Public Administration
5. Ministry of Finance
6. Ministry of Economic Development
7. Ministry of Trade and Industry
8. Tax Administration of Kosovo
9. Kosovo Pension Fund
10. Chamber of Commerce
11. Business Alliance of Kosovo
12. University

Two working group meetings were organized. During the first working group meeting that took place on 11<sup>th</sup> May 2011, the recruited international expert presented a general overview of what labour market information system is, elaborated best practices applied worldwide and proposed the outline for the LMIS in Kosovo based on the local conditions.

Based on the discussion and the agreement within the working group, the Conceptual Framework for the LMIS in Kosovo has been subsequently prepared, and was presented to the working group during the second meeting organized on 2<sup>nd</sup> July 2011. The first draft was shared with working group members for review and comments that are reflected in the final version enclosed as ANNEX -2.

The report identifies the needs for establishing a LMIS for the country and the means by which the data and information provided under the LMIS could be disseminated. Drawing from "best practices" followed by other countries, the paper develops a concept for a Kosovo LMIs, organized within a labour supply-and-demand framework aimed at capturing the dynamics of the labour market. An annex extensively identifies the tabular data that should be collected from LMI producers that cover labour supply, labour demand, imbalances deriving from supply-and-demand interaction, and operation of the labour market, including on interventions by intermediaries to improve its functioning.

The concept is built on five main sections:

1. Labour Supply
2. Labour Demand
3. Labour Supply and Demand Imbalances
4. Operation of Labour Market
5. On-Line Job Vacancies and Training Opportunities

In order to support the Ministry of Labour and Social Welfare to establish the LMIS, the project facilitated the drafting of the TORs for the company. A technical working group was established with colleagues from relevant ministries, respectively from the Ministry of Labour and Social Welfare (Shpetim Kalludra), Kosovo Tax Administration (Rifat Hyseni) with contribution from Ministry of Education Science and Technology (Enver Mekolli). The TOR was finalized with the support from the local IT consultant recruited who shall also be responsible to monitor the private company during the process of developing the LMIS software, in close cooperation with the MLSW focal point for the activity.

The private company to develop the LMIS software has been selected through a competitive procurement process. The software shall be developed during the first half of 2012.

### **Activity 3.2. External Impact Evaluation of the ALMP project**

The project has conducted the first External Evaluation in 2008 to look at the impact of the project interventions during the 2007 implementation period.<sup>16</sup>

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<sup>16</sup> Findings indicated that the project has doubled the chances of disadvantaged young women and men in finding employment. At the time of the survey, of the 46% of project beneficiaries that had found employment 44% were women beneficiaries. The cost benefit analysis also shows that the project generated a benefit that is over 1.42 times the cost.



Similarly, the project has initiated the second evaluation in October 2011. The main objective of the assessment are to measure the gross and net impact of the project in generating longer-term sustainable employment through quasi-experimental analysis technique, covering beneficiaries of 2008, 2009 and 2010 period, conduct cost benefit analysis, assess the relevance of the project vis-à-vis labour market conditions and propose options with recommendations as to next phase of the project.

The impact evaluation consists of two stages:

- a. The field survey that is conducted with the project beneficiaries and control group Kosovo wide. The survey is conducted by the local company Riinvest (which was selected through a competitive process) selected through mainly face to face interviews. The sample size consists of about 60% of project participants who benefited during 2008 – 2010.
- b. The review of the interventions in the field by UNDP and other relevant partners, review of the public employment services and finally, analysis of the survey findings to be conducted by the recruited international consultant

During the last quarter of 2011, the international consultant completed the desk review and the field mission. He had a leading role in finalizing the Questionnaire and setting up the sample size in cooperation with the local company.

### **Activity 3.3. Digitalization of the unemployment registry**

One of the main priorities of MLSW identified in the Employment Strategy and the Sectoral Action Plan is also the functioning of the SIMP – the Public Employment Services Management Information System. One of the steps towards functioning is the digitalization of the unemployment registry. Considering the high number of unemployed registered with PES offices (above 300,000 individual registration cards), the MLSW requested support during the digitalization phase. The UNDP project supported the employment offices Kosovo wide, by placing 70 interns with ICT experience for a period of three months to make the digitalization process more efficient. By the end of 2011, two thirds of the unemployment cards have been registered in the SIMP system. By mid-February 2012, the whole registry is envisaged to be digitalized.

## **VI. OTHER PROJECT ACTIVITIES**

### **6.1. Facilitate training for Srbobran community – a joint cooperation with NGO Ideas Partnership**

The previous UNDP project Returns and Reintegration in Kosovo (RRK) has among other activities supported 18 returnee families in Srbobran by building houses for the families without shelter. The assistance also included a package of socio-economic support for the families with the aim of securing sustainable income generation. Through UNDP's project and with the support from the British Embassy, funding was secured to purchase 18 sewing machines, an activity facilitated by the NGO *Ideas Partnership*. The NGO, in addition to the machinery support, has also taken the initiative to engage the families in sewing cloth bags, as part of the campaign against use of plastic bags. Many of the international organisations started to order cloth bags to support the campaign, and use them for distribution of material during workshops and conferences. However, the families had no skills in sewing, therefore were unable to meet this demand. It was then when the ALMP project was approached by the NGO to seek support for these families by facilitating training on tailoring.

In close support and cooperation with the VTC Division in Ministry of Labour and Social Welfare, a trainer has been identified and recruited to provide training to Srbobran family members on tailoring. This initiative has been well-accepted by the families, in particular women. The training started in June 1<sup>st</sup> and about 15 women are regularly attending the training. However, some challenges have been faced due to the electricity cut by the Kosovo Energy Corporation as a result of unpaid bill by the Municipality of Istog and the fact that one of the returned families was living temporary in the community centre until their house is built. The project has been actively in contact the Municipality and Ministry of Returns and Reintegration to look into the possibility of finding another temporary living premises for the family living in the community centre and having the electricity issue fixed. However, these issues could not be resolved during the 2011. The house for the family living in the community centre is planned to be built during the first quarter of 2012, and only then the centre may be used for community development activities.

Despite all these challenges, the trainer has offered training on sewing by hand, and about 4000 cloth bags ordered by different organisations and institutions were done manually, enabling this community to generate income during the reference period.

Considering the challenges in organizing and concluding the training, the contract of the trainer shall be renewed in 2012, so that the family members in Srbobran are given the chance to complete all the modules of the course and receive certificates upon completion of training.

### **6.2. RTK story on ALMP project**

A crew from the public television broadcaster, RTK, together with the project team and the UNDP communications team, videotaped stories of ALMP beneficiaries at work place in the municipality of Gjilan and Shtrpce. The young people interviewed were beneficiaries of the project during the implementing year of 2006 and 2010 that had remained employed after the training/internship at the same companies. The interviews with the beneficiaries were broadcast on the main news of the RTK on 3<sup>rd</sup> July at 19.30. The story may be found at the web site link: <http://www.youtube.com/watch?v=5zQhsakNtAw>

### **6.3. New agreement established for Sustainable Employment Reintegration of the Readmitted Persons in Kosovo**

Given the pressing need for the government to move ahead with the implementation of the Action Plan on Repatriated Persons, the Ministry of Internal Affairs, as the lead Ministry responsible for managing the process of readmission in Kosovo has approached UNDP to seek for support in implementing one of the crucial parts of the action plan – sustainable employment integration of the readmitted persons. UNDP has shown the readiness to support an urgent response to strengthen the capacity of individuals and institutions involved in the systems of readmissions and address some of the employment needs of repatriated persons who have returned to Kosovo. The Ministry of Internal Affairs, recognizing the successful implementation of the Active Labour Market Programme, proposed to use the existing mechanism and methodology aiming at reintegration of readmitted persons in the labour market. In view of the urgency of the demand for support, UNDP's capacity, expertise and resources to assist the MIA, in close cooperation with the MLSW and municipalities, it was agreed to implement a programme of training and employment support for eligible returnees.

In December 2011, UNDP signed a cost sharing agreement with the Ministry of Internal Affairs to provide job placement and training opportunities to repatriated persons through implementation of active employment measures. The MIA has provided financing in sum of USD 488,414 to directly support about 500 readmitted persons. These activities shall be implemented closely with the main ALMP partner, Ministry of Labour and Social Welfare, Employment Offices and Municipalities at local level. The three institutions have signed a Memorandum of Understanding, providing the details of roles and responsibilities of each institution in the joint venture for reintegrating the repatriated persons in the labour market.

It is foreseen that there should be close cooperation and information-sharing with relevant agencies working in this field, such as URA 2, which is supported by the German Federal Office for Migration and Refugees (BAMF) and the Federal States of Baden-Wuerttemberg, Niedersachsen, Nordrhein-Westfalen and Sachsen-Anhalt, the EU Twinning project, with UNHCR, UNICEF, OSCE, IOM and other relevant actors. UNDP's proposed approach is to focus on the areas which currently do not benefit from support of other international organizations, or receive insufficient support, recognizing the lead role of the Kosovo ministries in the implementation of the systems and supporting them to exercise their role better.

## VII. FINANCIAL IMPLEMENTATION

The project is being implemented since 2005 in cooperation with the Ministry of Labour and Social Welfare. Cooperation was expanded with Ministry Education, Science and Technology. The total project funding since 2005 is shown in the table below, broken down by respective donor organisations:

Sources of project funds	Previous period funding (2005-2010)	New funding received in 2011	Total Project Funds by Donors
Government of Norway	\$4,724,017.34	\$1,181,170.75	\$5,905,188.09
Kosovo Gov. PISG 30071	\$271,205.23	\$0.00	\$271,205.23
Kosovo Gov. PISG 30072	\$1,254,851.23	\$0.00	\$1,254,851.23
Government of Denmark	\$616,243.45	\$0.00	\$616,243.45
UNDP	\$18,500.00	\$0.00	\$18,500.00
<b>Total funds</b>	<b>\$6,884,817.25</b>	<b>\$1,181,170.75</b>	<b>\$8,065,988.00</b>

Through the MOUs signed with enterprises and trainees/interns in 2010, about 37 percent of project beneficiaries were due to complete the training/internship envisaged in the first quarter of 2011, thus about USD 219,900 have been processed to enterprises and beneficiaries during the reference period.

A summary of project funds, expenditures and balances for the period starting 2005 is shown in the table below:

Funds received 2005 -2010	\$6,684,817.25
Expenditures 2005 - 2010	\$5,932,156.11
Balance as at Dec 2010	\$952,661.14
New funds received in 2011	\$ 1,181,170.75
Available funds 2011	\$2,133,831.89
<b>Approved Budget 2011</b>	<b>\$1,102,522.59</b>
Committed (through MOUs due in 2012)	\$130,750.00
<b>Disbursed t/d</b>	\$870,951.50
<b>Total expenditures t/d</b>	<b>\$1,001,701.50</b>
Balance	<b>\$100,851.09</b>
Available funds for 2012	<b>\$1,132,130.39</b>

The detailed financial report for the period January - December 2011 is enclosed:

<b>Improve employment prospects among disadvantaged youth through active empl. measures</b>				<b>BUDGET</b>	<b>COMMITTED</b>	<b>DISBURSED</b>	<b>TTL. EXPEND.</b>	<b>BALANCE</b>
30000	NOR	71400	Contractual Services - Individ	55,709.05	0.00	55,709.05	55,709.05	0.00
30000	NOR	71600	Travel	1,000.00	0.00	847.35	847.35	152.65
30000	NOR	72100	Active Employment Measures/direct assistance (OJT,IET,lsch) due to be paid in 2011	220,000.00	0.00	216,689.96	216,689.96	3,310.04
30000	NOR	72100	Active Employment Measures/direct assistance (OJT,IET,lsch)	364,828.54	55,600.00	299,354.75	354,954.75	9,873.79
30000	NOR	72200	Equipment and Furniture	7,000.00	0.00	5,107.76	5,107.76	1,892.24
30000	NOR	72400	Communic & Audio Visual Equip	3,000.00	0.00	2,071.78	2,071.78	928.22
30000	NOR	72500	Supplies	2,350.00	0.00	2,003.53	2,003.53	346.47
30000	NOR	72700	Hospitality/Catering	1,500.00	0.00	344.76	344.76	1,155.24
30000	NOR	72800	Information Technology equipment	1,000.00	0.00	674.71	674.71	325.29
30000	NOR	73100	Rental & Maintenance-Premises	16,500.00	0.00	16,172.90	16,172.90	327.10
30000	NOR	73400	Rental & Maint of Other Equip	3,500.00	0.00	3,179.75	3,179.75	320.25
30000	NOR	74200	Audio Visual&Print Prod Costs (1% communication)	10,000.00	0.00	5,098.44	5,098.44	4,901.56
30000	NOR	74500	Miscellaneous Expenses	12,261.27	0.00	12,261.27	12,261.27	0.00
30000	NOR	75000	General Management Support UNDP (7%)	41,171.00	0.00	41,171.00	41,171.00	0.00
<b>ACTIVITY1</b>				<b>739,819.86</b>	<b>55,600.00</b>	<b>660,687.01</b>	<b>716,287.01</b>	<b>23,532.85</b>
<b>Enhance practical skills of VET students through apprenticeships to ease the school to work transition</b>				<b>BUDGET</b>	<b>COMMITTED</b>	<b>DISBURSED</b>	<b>TTL. EXPEND.</b>	<b>BALANCE</b>
30000	NOR	71400	Contractual Services - Individ	56,400.00	0.00	55,026.86	55,026.86	1,373.14
30000	NOR	71600	Travel	1,000.00	0.00	616.67	616.67	383.33
30000	NOR	72100	Apprenticeship for VET students	76,062.21	40,000.00	3,212.50	43,212.50	32,849.71
30000	NOR	72200	Equipment and Furniture	7,000.00	0.00	4,799.67	4,799.67	2,200.33
30000	NOR	72400	Communic & Audio Visual Equip	3,000.00	0.00	1,936.84	1,936.84	1,063.16
30000	NOR	72500	Supplies	1,900.00	0.00	1,394.06	1,394.06	505.94
30000	NOR	72700	Hospitality/Catering	1,500.00	0.00	39.81	39.81	1,460.19
30000	NOR	72800	Information Technology equipment	1,000.00	0.00	416.36	416.36	583.64
30000	NOR	73100	Rental & Maintenance-Premises	16,590.52	0.00	16,590.52	16,590.52	0.00
30000	NOR	73400	Rental & Maint of Other Equip	3,500.00	0.00	3,165.25	3,165.25	334.75
30000	NOR	74200	Audio Visual&Print Prod Costs (1% communication)	7,000.00	0.00	5,269.71	5,269.71	1,730.29
30000	NOR	74500	Miscellaneous Expenses	3,000.00	0.00	2,398.25	2,398.25	601.75
30000	NOR	75000	General Management Support UNDP (7%)	28,325.00	0.00	28,325.00	28,325.00	0.00
<b>ACTIVITY2</b>				<b>206,277.73</b>	<b>40,000.00</b>	<b>123,191.50</b>	<b>163,191.50</b>	<b>43,086.23</b>
<b>Provide TA to the MLSW and other relevant line ministries to implement the Employment Strategy</b>				<b>BUDGET</b>	<b>COMMITTED</b>	<b>DISBURSED</b>	<b>TTL. EXPEND.</b>	<b>BALANCE</b>
30000	NOR	71200	International Consultants	35,130.00	15,600.00	19,530.00	35,130.00	0.00
30000	NOR	71300	Local Consultants	11,000.00	9,000.00	1,783.26	10,783.26	216.74
30000	NOR	71600	Travel	8,000.00	2,000.00	5,673.21	7,673.21	326.79
30000	NOR	72100	Training/Workshops	40,000.00	8,550.00	22,771.76	31,321.76	8,678.24
30000	NOR	72700	Hospitality/Catering	1,000.00	0.00	419.87	419.87	580.13
30000	NOR	72800	Information Technology equipment	22,000.00	0.00	0.00	0.00	22,000.00
30000	NOR	74200	Audio Visual&Print Prod Costs (1% communication)	10,000.00	0.00	7,776.45	7,776.45	2,223.55
30000	NOR	74500	Miscellaneous Expenses	1,000.00	0.00	409.96	409.96	590.04
30000	NOR	75000	General Management Support UNDP (7%)	28,325.00	0.00	28,325.00	28,325.00	0.00
<b>ACTIVITY 3</b>				<b>156,455.00</b>	<b>35,150.00</b>	<b>86,689.51</b>	<b>121,839.51</b>	<b>34,615.49</b>
<i>Realized Loss</i>						757.43	757.43	-757.43
<i>Realized Gain</i>						-373.95	-373.95	373.95
<b>Total Project Budget 00059584</b>				<b>1,102,552.59</b>	<b>130,750.00</b>	<b>870,951.50</b>	<b>1,001,701.50</b>	<b>100,851.09</b>
<b>UTL</b>						<b>91%</b>	<b>9%</b>	

## **VIII. REPORTING AGAINST ANNUAL WORK - PLAN 2011 - SUMMARY**

EXPECTED OUTPUTS	PLANNED ACTIVITIES	PLANNED TIME-FRAME				Reporting for the period (January - December, 2011)
	<i>List activity results and associated actions</i>	Q1	Q2	Q3	Q4	
OUTPUT 1: Employability and job creation among young women and men strengthened through direct active employment measures	<b>At least 600 registered young jobseekers offered training and employment opportunities through targeted active employment measures.</b>					566 young beneficiaries approved - undergoing training in 315 establishments (mainly private enterprises)
	<b>Equal opportunities provided to women and men</b>					57 % are women beneficiaries
	<b>Inclusion of minority communities at least 10 percent</b>					9 % of beneficiaries are from minority communities
	<b>At least 15 percent of beneficiaries are people with disabilities</b>					9 % (low to be addressed further)
	1.1. Provide Job search assistance and counselling to young women and men jobseekers potential ALMP beneficiaries	X	X	X	X	614 jobseekers provided job search assistance and counselling
	1.2. Facilitate non-vocational and vocational skills training for young women and men	X	X	X	X	IET scheme modified and tested. The target reached only 26%. Flexibility in eligibly criteria requested to be considered
	1.3. Implement various active labour market measures in partnership with private sector and institutions	X	X	X	X	Three measures implemented: On job Training, Internship scheme and Institutional and enterprise based training
	1.4. PES and VTC staff capacity development in implementing the project schemes	X				Regional trainings organised during Feb to introduce the 2011 activities, the employment measures to implement, changes based on lessons learned etc. (training plan e.g.)
	1.5. Facilitate Regional Approval Boards	X	X	X	X	34 Regional Board meeting organised during the period
	1.6. Awareness raising, among the private sector in particular, on the rights and skills of people with disabilities	X	X		X	Meetings with Associations– participation in 2011 is 8% higher than 2010 (9% with 1% respectively)
	1.7. Promote 'quota' on regional basis to ensure gender equality and inclusion of vulnerable groups	X	X	X	X	A continuous activity (beneficiaries 57% young women)
1.8. Constant monitoring of beneficiaries to ensure training attendance and quality assurance	X	X	X	X	80% of 2011 project beneficiaries were monitored through field visits at workplace and phone contact together with employment counsellors	
1.9. Timely process the requests for compensation of beneficiaries	X	X	X	X	Compensated promptly upon receipt of verifying documents (attendance, training plan, assessment etc)	
1.10. Asses the employment impact through project mechanisms ( gender lens& inclusive) established	X	X	X	X	Ongoing (through field and phone monitoring of beneficiaries)	
OUTPUT 2: Employment prospects improved for vocational education students through	<b>- Work-based apprenticeship training in enterprises facilitated for 2,000 men and women VET students.</b>					701 VET students of 12 <sup>th</sup> grade have been facilitated professional practice in enterprises
	<b>- Improved link between schools and enterprises</b>					MOUs for cooperation signed between 10 schools and 85 enterprises
	<b>- Employment prospects enhanced for VET graduates</b>					Through professional practice gained in the labour market
	<b>- Enhanced competencies of school responsible officials to organise, monitor and evaluate apprenticeship scheme</b>	Q1	Q2	Q3	Q4	Capacity Building through direct implementation of professional practice for students

promoting work-based training schemes in a gender equitable manner	- Career Orientation and Labour Market information provided to VET students					Cooperation between employment counsellors and schools strengthened	
	- Safety Measures at Work and Labour Rights information sessions organised for VET students					Work place insurance covered. Students informed on the safety measures at enterprise.	
	- Equal opportunities provided to women and men VET students					Despite criteria set in Guideline, women participation stands at 30%	
	- Inclusion of vulnerable groups					11.5% students from families receiving social assistance; minority participation only 2%	
	2.1. Finalize the Operations Manual to govern implementation of apprenticeship scheme linking all gender practices)	X				Inter-ministerial working group established. Guidelines drafted. Presented to stakeholders. Guidelines finalized and approved.	
	2.2. Provide training as necessary to partner schools and responsible parties involved in facilitating work-based learning based on OM				X	Representatives from 22 schools selected by the Education inspectorate, Municipal Education Officers and KCC representatives participated in the induction training organized	
	2.3. Facilitate work based apprenticeship for ( young girls and young boys) students				X	X	Professional practice has been facilitated to 701 VET students from 10 schools in 85 enterprises
	2.4. Establish regional approval board meetings/criteria GE/gender parity					X	Approval boards established with representatives from all parties
	2.5. Provide safety at work insurance for student beneficiaries					X	Project established an agreement with a local insurance company - Insurance covered for 701
	2.6. Initiate cooperation with employment office counsellors to provide labour market information to students (equal opportunity)				X	X	Joint workshop and meetings held to strengthen cooperation. Initiatives to continue during the last 2 Q
	2.7. Initiate cooperation with Labour Inspectorate to provide information on safety measures at work and basic labour rights				X	X	Work place insurance covered for students attending professional practice in enterprises.
	2.8. Ensure gender equality through selection of school types and profiles eligible to benefit	X			X		Participation of young girls stood at 30% despite strict school selection criteria introduced in the manual
	2.9. Ensure minority communities through target quota on regional basis	X			X		Selection criteria introduced in the manual. Schools not successful in applying the criteria. Only 2% of total students.
	2.10. Monitoring and quality check					X	Students monitored by teachers and education inspector. Spot checks by the project team
2.11. Timely process the requests for compensation					X	Compensation for the first semester due to pay in Jan 2012	
2.13. Dissemination of project activities; promotion material; expression of interest publications etc					X	Meeting organised with other stakeholders to present the draft Operations Manual prepared by ALMP	
<b>OUTPUT3: Capacity of relevant labour market institutions strengthened through technical</b>	- A functional labour market information system established based on additional needs identified for labour market information					Conceptual Framework for establishment of Labour Market Information System developed. Private company selected to develop the LMIS software	
	- Legal framework for ALMPs defined					DLE prepared a draft regulation. To finalize in 2012	
	- Relevant recommendations of PES assessment report implemented aiming at Modernizing Public Employment Services in line with the Ministry's strategies and action plans	Q1	Q2	Q3	Q4	Project supported the digitalization of SIMP (PES management information system of unemployed)	



<i>assistance provided in implementing Employment Strategy of Kosovo</i>	- <b>Cooperation established between MEST and MLSW and other relevant institutions in implementing the Law on Vocational Education (apprenticeship for students)</b>					Cooperation initiated through engagement of partly to jointly implement the work based learning
	3.1. In cooperation with the international and local experts assess the needs to establish a functioning LMIS Labour Market Information System	X				Inter-ministerial working group established. Two working group meetings organised. Assessment done by an International consultant in cooperation with the inter-ministerial working group
	3.2. In close cooperation with the MLSW as senior beneficiary, define the development concept of the labour market information system	X	X			Conceptual framework for establishment of LMIS in Kosovo prepared and finalized by the International Consultant in coordination with stakeholders
	3.3. Purchase of the LMIS software application through competitive bidding				X	Technical specification drafted. Private company contracted through selection process.
	3.4. Define necessary actions and establish a group responsible ( equal opportunity) to implement LMIS		X	X		Additional staff required to be recruited in line with the action plan of the strategy. MLSW facing budget constraints
	3.5. Organise a thorough assessment of ALMPs implemented to date by agencies				X	Consultant recruited. Desk review and field mission completed. Company to conduct survey contracted
	3.6. In cooperation with the MLSW legal office, draft the Admin Instruction to define the services provided by PES in general terms (the what?)				X	A draft regulation drafted by the DLE department – project provided input in the first draft of the regulation
	3.7. Based on the assessment findings, draft the unified Operational Procedures of designing, implementing and monitoring active employment measures (the how?)			X	X	The assessment on ALMPs and their impact conducted for UNDPs project only and to finalize in Mar 2012
	3.8. Formulation of the mission statements for the Employment Service ( Gender equality, parity opportunity and services)					MLSW/UNDP - postponed to 2012 based on the restructuring of the PES
	3.9. Assist MLSW in developing the Integrated Concept of work with key PES clients: the unemployed and employers					MLSW/UNDP - postponed to 2012 based on the restructuring of the PES in cooperation with Lux-Dev
	3.10. Conducting feasibility study for developing a multi-channel services delivery in PES					Postponed for 2012
	3.11. Provide support to ensure full scale operation and usage of SIMP				X	Employment offices support to digitalize the unemployment registry (70 interns)
3.12. Travel Expenses for the missions (DSA, travel costs)	X	X	X	X		

**IX. ANNUAL WORK PLAN 2012**

EXPECTED OUTPUTS <i>And baseline, indicators including annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET			
		Q1	Q2	Q3	Q4		Funding Source	Budget Description	Amount (USD)	
<b>Output 1</b>  Employability and job creation among young women and men strengthened through direct active employment measures  <i>Indicator: Number of young men and women jobseekers enrolled through active employment measures</i>  <i>Baseline: Public employment services have limited capacities to sequence active employment measures based on individual needs of jobseekers</i>  <b>Gender Marker &amp; Rationale Rating &amp; 8PA &amp; GES (score3)</b> <b>Rationale 8PA : gender responsive post crisis recovery from authorities and private sector GES#3/4/3/10 enhanced national, local capacities of institutions &amp; mechanism to facilitate economic opportunities</b>  <b>Related CP outcome:</b> By 2015, vulnerable women and men (returnees, IDPs, minority groups, youth, people with disabilities) have more economic and livelihood opportunities, and benefit from better public and social services	<b>Activity Results:</b> - <b>At least 400 registered young jobseekers offered training and employment opportunities through targeted active employment measures</b> - <b>At least 500 readmitted persons are provided with training and employment opportunity</b> - <b>Equal opportunities provided to women and men</b> - <b>Inclusion of minority communities at least 10 percent</b> - <b>At least 15 percent of beneficiaries are people with disabilities</b>					MLSW/DLE (REC; MEO; VTC) UNDP	NOR	Project team	<b>67,680</b>	
							MIA	Operational expenses	<b>54,000</b>	
								Miscellaneous (bank charges, ISS)	<b>9,000</b> <b>1,000</b>	
		1.1. Provide Job search assistance and counselling to young women and men jobseekers potential ALMP beneficiaries	X	X	X	X	MLSW EO	NOR	*No cost implications	-
		1.2. Facilitate non-vocational and vocational skills training for young women and men	X	X	X	X	MLSW/UNDP	NOR	*included in 1.3.	-
		1.3. Implement various active labour market measures targeting young disadvantaged groups in partnership with private sector and institutions	X	X	X	X	MLSW/UNDP	NOR	Training / employment measures	<b>290,000</b>
		1.4. Provide training and employment opportunities to the readmitted persons through implementation of active measures	X	X	X	X	MLSW/MIA/UNDP / Municipalities	MIA	Training / employment measures	<b>447,400</b>
		1.5. Monitor and timely process the requests for compensation of 2011 approved beneficiaries, with their last instalments due to be paid in 2012	X	X	X	X	MLSW/UNDP	NOR	Training / employment measures	<b>31,500</b>
		1.6. Labour Market Study with special focus on private sector: identification of training and employment opportunities – labour market demands	X	X			MLSW/UNDP	MIA	Company	<b>20,000</b>
		1.7. Facilitate Regional Approval Boards	X	X	X	X	MLSW/UNDP	NOR	*Costs included in Staff and Oper. exp	
		1.8. Awareness raising, among the private sector in particular, on the rights and skills of people with disabilities	X	X			UNDP/MLSW/ NGOs/Assoc.	NOR	Outreach activities	<b>10,000</b>
		1.9. Outreach activities – inform the readmitted persons on the PES services and training/employment opportunities offered	X	X			MIA/UNDP/Media	MIA	Outreach activities	<b>13,333</b>
		1.10. Promote 'quota' on regional basis to ensure gender equality and inclusion of vulnerable groups	X	X	X	X	UNDP	NOR	*Costs included in Staff and Oper. exp	
	1.11. Constant monitoring of beneficiaries to ensure training attendance and quality assurance	X	X	X	X	UNDP/MLSW	NOR	*Costs included in Staff and Oper. exp		
	1.12. Timely process the requests for compensation of beneficiaries	X	X	X	X	UNDP	NOR	*Costs included in Staff and Oper. exp		
	1.13. Assess the employment impact through project mechanisms (gender lens& inclusive) established	X	X	X	X	UNDP	NOR	*Costs included in Staff and Oper. exp		

							NOR	Total output 1	943,913
<p>Output 2</p> <p>Employment prospects improved for vocational education students through promoting work-based training schemes in a gender equitable manner</p> <p><i>Indicator: Number of men and women students facilitated work-based training as foreseen in the Law for Vocational Education (dual system); number of enterprises and institutions providing apprenticeship opportunity to VET students</i></p> <p><i>Baseline: Vocational Education Institutions have limited capacities to implement 'practical learning and professional training in enterprises' as envisaged in the curricula and the law</i></p> <p><b>Gender Marker &amp; Rationale Rating &amp; 8PA &amp; GES</b></p> <p><b>Score 3</b></p> <p><i>In line with the Gender Equality Law of Kosovo section gender education&amp; employment ( implementation: same as up above</i></p> <p><i>Related CP outcome:</i></p> <p>By 2015, vulnerable women and men (returnees, IDPs, minority groups, youth, people with disabilities) have more economic and livelihood opportunities, and</p>	<p><b>Activity Results:</b></p> <ul style="list-style-type: none"> <li>- Work-based apprenticeship training in enterprises facilitated for <u>1,300</u> men and women VET students, including students from the CoC in Skenderaj and Malishevo</li> <li>- Improved link between schools and enterprises</li> <li>- Employment prospects enhanced for VET graduates</li> <li>- Enhanced competencies of school responsible officials to organise, monitor and evaluate apprenticeship scheme</li> <li>- Career Orientation and Labour Market information provided to VET students</li> <li>- Safety Measures at Work and Labour Rights information sessions organised for VET students</li> <li>- Equal opportunities provided to women and men VET students</li> <li>- Inclusion of vulnerable groups</li> </ul>					MEST MLSW UNDP	NOR	<p>Project team</p> <p>Operational expenses</p> <p>Miscellaneous expenses (bank charges, ISS)</p>	<p>33,840</p> <p>27,000</p> <p>4,500</p>
	2.1. Facilitate work based apprenticeship for ( young girls and boys) students of VET schools, including students from CoC in Skenderaj and Malishevo	X	X	X	X	UNDP/MEST/MLS W	NOR	Work-based training for VET students	225,000
	2.2. Monitor the implementation of work-based training at enterprise during the 2 <sup>nd</sup> semester for academic year 2011/2012. Timely process compensation committed though MOU, due to be paid in 2012	X	X	X		UNDP/MEST/MLS W	NOR	Work-based training for students	78,500
	2.2. Conduct regional approval board meetings/criteria GE/gender parity	X	X			UNDP/MEST	NOR	*Costs included in Staff and Oper. exp	
	2.3. Provide safety at work insurance for student beneficiaries	X	X	X	X	UNDP/MEST/MLS W	NOR	Insurance coverage	3,500
	2.4. Extend cooperation between schools and employment office counsellors to provide labour market information (equal opportunity)	X	X	X	X	UNDP/MEST/MLS W	NOR	Training	3,000
	2.6. Ensure gender equality through selection of school types and profiles eligible to benefit			X	X	UNDP/MEST/MLS W	NOR	*Costs included in Staff and Oper. exp	
	2.7. Ensure minority communities through target quota on regional basis			X	X	UNDP/MEST/MLS W	NOR	*Costs included in Staff and Oper. exp	
	2.8. Monitoring and quality check	X		X		UNDP/MEST	NOR	*Costs included in Staff and Oper. exp	
	2.9. Timely process the requests for compensation		X		X	UNDP/MEST	NOR	*Costs included in Staff and Oper. exp	

benefit from better public and social services	2.10. Dissemination of project activities; promotion material; expression of interest publications etc	X	X	X	X	UNDP/MEST	NOR	Material	2,000
							<b>NOR</b>	<b>Total output 2</b>	<b>377,340</b>
<b>Output 3</b> <i>Capacity of relevant labour market institutions strengthened through technical assistance provided in implementing Employment Strategy of Kosovo</i>	<b>Activity Results 3.</b> - <b>A functional labour market information system established based on additional needs identified for labour market information</b> - <b>Relevant recommendations of PES assessment report implemented aiming at Modernizing Public Employment Services in line with the Ministry's strategies and action plans</b> - <b>Cooperation established between MEST and MLSW and other relevant institutions in implementing the Law on Vocational Education (apprenticeship for students)</b>	Q1	Q2	Q3	Q4	MLSW UNDP	NOR	Project team Operational expenses Miscellaneous expenses	11,280 9,000 1,500
<i>Indicator:</i> <i>Indicative activities implemented; output targets reached, as listed.</i>	3.1. Based on the Labour Market Information System concept, conduct quality assurance of the software developed and provide on-hand assistance (fee + DSA + airfare)		X	X		MLSW/UNDP	NOR	Int. consultant	9,460
<i>Baseline: Relevant Ministries require technical assistance to implement the indicative activities foreseen in the Employment Strategy</i>	3.2. LMIS software development by company	X	X			MLSW/UNDP	NOR	Software development	135,000
<b>Gender Marker &amp; Rationale Rating &amp; 8PA &amp; GES (up Above)</b> <b>Score 2</b> <b>GES#3/4/3/10 enhanced national, local capacities of institutions &amp; mechanism to facilitate economic opportunities</b>	3.3. Local IT consultant to monitor software development		X	X		MLSW/UNDP	NOR	Local. Consultant	9,000
<i>Related CP outcome:</i>	3.4. Study visit (LMIS responsible unit)		X			MLSW/UNDP	NOR	Travel	15,000
By 2015, vulnerable women and men (returnees, IDPs, minority groups, youth, people with disabilities) have more economic and livelihood opportunities, and benefit from better public	3.5. Conduct Impact Evaluation of the ALMP project (fee + DSA + airfare)		X	X		MLSW/UNDP	NOR	Int. consultant	6,000
	3.6. Conduct Survey to measure the impact of the ALMP project support on employment	X	X	X		UNDP	NOR	Local company	20,000
	3.7. Formulation of the mission statements for the Employment Service (Gender equality, parity opportunity and services)	X				MLSW/UNDP	NOR	Consultant	15,000
	3.8. Conducting feasibility study for developing a multi channel services delivery in PES (programmatic and technical aspect)			X	X	MLSW/UNDP	NOR	Consultant	20,000
	3.9. Assist MLSW in further developing/strengthening the Integrated Concept of work with key PES clients: the unemployed and the employers. Strategic approach to strengthen cooperation with the employers			X	X	MLSW/UNDP	NOR	Consultant	20,000

and social services	3.10. Provide support to ensure full scale operation and usage of SIMP	X	X			MLSW/UNDP	NOR	Consultant	<b>15,000</b>
	3.11. Support the development of the strategy for Improvement of Professional Practice depicting a clear vision of an inclusive VET.		X			MEST/UNDP	NOR	Int. Consultant	<b>20,000</b>
	3.12. Establish working group and organise meetings to establish the VET strategy (publication)	X	X			MEST/UNDP	NOR	Contrac. Services	<b>10,000</b>
	3.11.Continue support to cleaning the PES registry – functionalising SIMP (active and passive)	X				MLSW/UNDP	NOR	Contractual services	<b>10,000</b>
	3.12. Travel Expenses for the missions (DSA, travel costs)					UNDP	NOR	Travel	<b>24,500</b>
							<b>NOR</b>	<b>Total Output 3</b>	<b>350,740</b>
						UNDP	NOR	UNDP Management support fee (7%) and	<b>77,273</b>
								UNDP Management support fee (3%)	<b>14,462</b>
								UNDP Visibility-Promotion fee (1%)	<b>11,812</b>
								<b>TOTAL</b>	<b>1,775,540</b>

ANNEX -1.

GUIDELINE - 'Organizing practice in enterprise for students at secondary vocational schools'



**Republika e Kosovës**  
**Republika Kosova-Republic of Kosovo**  
*Qeveria -Vlada - Government*

**Ministry of Education, Science and Technology**

**Ministry of Labour and Social Welfare**

# **GUIDELINE**

**‘Organizing practice in enterprise for students at  
secondary vocational schools’**





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## **ABBREVIATIONS**

VET	Vocational Education and Training
DVET	Division of Vocational and Education Training
MDE	Municipal Directorate of Education
DLE	Department of Labour and Employment
MEST	Ministry of Education, Science and Technology
MoU	Memorandum of Understanding
MLSW	Ministry of Labour and Social Welfare
SME	Small and Medium-sized Enterprises
KCC	Kosovo Chamber of Commerce
ALMP	Active Labour Market Project
REC	Regional Employment Centre
CSW	Centres for Social Work
SEI	Sector of Education Inspection
UNDP	United Nations Development Program
MEO	Municipal Employment Offices

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## I. Situation Analysis

Vocational education in Kosovo serves a large part (56%) of the student population in higher education. This is as an opportunity for increasing the importance and influence of this sub-sector in the lives of young people. Current reforms include the improved approach in VET, integration of the new modular curriculum system for all subjects and profiles in professional schools and securing greater coherence between the needs of the job market and profiles provided in professional schools.

MEST, in cooperation with international partners, is implementing various school programs that aim at increasing students' knowledge and skills for the market economy. A considerable number of students have had the opportunity to complete the practical side of their schooling (in respective subjects and profiles) in various production companies or companies offering services, as part of completing curricula required for their profiles. Such cooperation is expected to increase this year via projects of UNDP, GIZ, Swiss contact, DANIDA etc.

In Kosovo, over 60%<sup>17</sup> of secondary schools are vocational schools. These schools offer three year vocational programs<sup>18</sup>, preparing young people for entry into the job market as semi-qualified or qualified workers in 17 professional fields<sup>19</sup>. The majority of these schools have little or no equipment to assist practical learning, or vocational training of students. There is insufficient cooperation between formal vocational schools and the local economic environment, leaving about two thirds of students<sup>20</sup> without the possibility of registering in practical training schemes based on work in public or private enterprises. In addition, in the majority of schools, training and professional courses are organized without considering the needs of the job market. School management depends on the commitment and responsibility of the school directors, and they have little autonomy to manage their administration and the school's financial resources. Most schools also lack learning texts and didactic material for planning, monitoring and evaluating professional training at school and in enterprise. Although a dual system of academic studying is foreseen according to the new curriculum for vocational schools and the Law on vocational education, the mechanism provided in this law is rarely fully implemented, as is noted also in the external UNDP evaluation report. The Ministry of Education, Science and Technology (MEST) expects to continue reforms in vocational education to overcome the barriers between formal education and training and the job market. Reforms will be constructed according to three pillars: a) founding of schools called Centres of Competence, b) strengthening the ties between school and work, and c) further sharing of responsibilities with schools<sup>21</sup>.

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<sup>17</sup> There are municipal vocational schools in Kosovo.

<sup>18</sup> Structural changes introduced during the current ongoing review of Kosovo Curriculum Framework

<sup>19</sup> Vocational schools implement 92 curricula profiles for 17 key professional fields (machinery, food technology, health, administration, agriculture, economy, engineering, production, graphics, tourism, communication, construction, post and telecommunications, textiles, metallurgy, chemistry)

<sup>20</sup> There are over 50,000 vocational students across Kosovo

<sup>21</sup> Kosovo Employment Strategy for 2010 - 2012

The Strategic Plan on Education in Kosovo 2011-2015 was recently approved by the Ministry of Education, Science and Technology. The overall objectives for Education and Vocational Education, according to MEST priorities are: a) To improve the approach, quality and suitability of VET for everyone; b) To improve coordination with and adaptation to the job market, and to build institutional and management capacities of the VET system; establishing the financial basis for long term and sustainable development; and c) Increasing training opportunities for students who abandon higher and lower secondary schools, as well as adults with insufficient schooling who didn't have the chance to continue on to another level of school, thus increasing their chances of employment, and especially that of women.

Kosovo's unemployment level is much higher than other countries in the region and is almost twice the average level of unemployment in the western Balkans. Kosovo's labour force participation and employment level is the lowest in the western Balkans (46.8% and 26.5% respectively), and this figure is low below the EU average. On the basis of the labour force survey in 2007, Kosovo's unemployment level is about 43.6<sup>22</sup> per cent (%) of the labour force, despite significant foreign aid supporting the economic recovery. The labour force survey in 2009<sup>23</sup> indicated an increase in unemployment in Kosovo – being 1.8% higher than in 2007. Unemployment in Kosovo mostly affects young people, especially women, and persons with limited education who have no prior work experience.

Since Kosovo's population is dominated by young people, this young population will continue to put pressure on the job market. According to LFS 2009, about 73 % of the population aged between 15 and 24 are unemployed. Despite the relatively low participation levels, the unemployment level amongst women is 11.6 per cent higher than the overall level of labour force unemployment. The level of education is linked to the probability of employment. About 55% of unemployed have attended less than secondary school. Another disturbing characteristic of unemployment is that about 82% of unemployed do not have work experience, demonstrating the importance of the first contact with the job market or work experience for a long-term job. Finally, of special concern is long term unemployment. About 85% of those who were unemployed in 2009 were unemployed for over one year.

The current level of economic growth creates low absorption capacities for the job market and makes impossible the creation of sufficient employment opportunities to lower unemployment. With regard to this, a labour force which is educated and skilled as required is a key factor contributing to sustainable levels of economic growth and dealing with competition. The entry of foreign capital depends a lot on the ability of skilled workers in a country to respond to the demands of foreign investors. Quality education and training, responsive to the demands of the job market, is proportional to improving prospects of employment, production and the ability to compete.

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<sup>22</sup> Statistical Office of Kosovo (Labour Force Survey 2007)

<sup>23</sup> According to LFS 2009, the level of unemployment is 45.4% (SOK)

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## II. Support of the Active Labour Market Programme for Youth

UNDP has supported the Kosovo Government and especially the Ministry of Labour and Social Welfare since 2005, through the Active Labour Market Program for Youth. The main objectives of the project are building capacities of institutions which have the mandate to offer employment and training services, and offering direct assistance to young men and women by implementing the active labour market program. With the project's support, labour market institutions are able to offer service packages comprising help in searching for jobs, employment advice, training for the job market, and surveys for skills required in order to identify the capabilities and skills required by the labour market. For the last six years, the project has directly supported over 9,000 young job seekers (45% women and 55% men), by implementing various active employment measures in cooperation with MLSW and over 3,500 partner businesses. The project has flexible criteria to encourage the participation of minority communities and has undertaken separate initiatives to support persons with physical and mental disabilities, in cooperation with societies for persons with disabilities, offering them training/opportunities for employment in private businesses and institutions.

The conclusion of the project's external evaluation, completed in 2008, amongst other positive effects, noted that the project had doubled the chances of employment for young men and women. During a survey, 46% beneficiaries of the project found work, of which 44%<sup>24</sup> were women. The analysis of the cost and benefits also indicates that the project has produced a profit over 1.42 times the cost.

Given the positive results of the project and good experience with the private sector, in line with the Law on vocational education number 02/L-42, the ALMP project together with implementing partners MEST and MLSW, has adopted a measure aimed at improving the organization of 'professional practice in business' for students in secondary vocational education. This trial project intends to affect the high level of unemployment through prevention, by additional development of students' skills in order to improve their chances of employment after finishing school. The project organized an external evaluation of the trial project implemented during 2009 titled 'professional instruction and practical training in enterprise for VET students'. The overall objective of this evaluation was measuring the gross and net impact, cost analysis and effectiveness, the importance, and the implementation process and to propose options with recommendations for the future project phase and the period after the project.

The general evaluation of the trial project was positive. The assessor emphasized the contribution of the trial project toward creating a structural relationship between vocational schools and the private sector, on the basis of successful experience in organizing various business training. With an innovative approach, printing and distributing posters and brochures, the project has raised awareness amongst students at secondary vocational schools about basic workplace insurance. With the exception of various recommendations about improving the project's effectiveness, the assessor also suggested that the experience of the project could help discussions between MEST and businesses so that the project is adapted and expanded at the state level. The activities planned in this guideline are in line with the recommendations of the external evaluation report.

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<sup>24</sup> External project evaluation report ALMP 2008 (DevTech Solutions)



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### **III. The purpose of this guideline**

The UNDP Active Labour Market project, with the aim of drafting a guideline for secondary vocational schools, organized a workshop including all implementing parties for the activities outlined in the process of organizing *professional practice in enterprise*. The recommendations of the external evaluation report of the pilot project<sup>25</sup> were discussed during the workshop. Through organizing working groups, these recommendations were adapted and modified by participants who deal directly with the difficulty of organizing business practice for students.

The conclusions of the workshop are included and detailed in this *Guideline*, which will serve all parties included as a guideline during the process of organizing professional practice in enterprise. The guideline will be tested with the support of the ALMP project of UNDP at the start, so that it addresses the issue of cooperation between school and business. During this test phase, the difficulties encountered during the accomplishment of activities will be noted in order to take them into consideration during revision of the guideline, which in the future will serve as an official document in all VET secondary schools.

Implementation of this project is supported by the Norwegian Government, as the main donor.

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<sup>25</sup> See subsection II Supporting an Active Job Market for Youth

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#### **IV. Parties involved in organizing practice in enterprise**

This guideline outlines the commitment of various parties who will be responsible for organizing professional practice in enterprise. The responsibilities of the parties will be allocated in this guideline and will be summarized in an *Agreement of Understanding* that will be drafted and will serve as a coordinating document for the obligations of each party.

The parties included according to the respective institutions are:

Ministry of Education, Science and Technology (key parties):

1. Division of Vocational Education and Training
2. Professional secondary schools
3. Sector of Educational Inspection (SEI)
4. Students
5. Parents of students

Municipality:

6. Municipal Directorate of Education

Ministry of Labour and Social Welfare:

7. Department of Labour and Employment
  - 7.1. Regional and Municipal Employment Centres
  - 7.2. Social Work Centres

Representatives of the private sector:

8. Kosovo Chamber of Commerce
9. SME Support Agency

United Nations Development Program (UNDP)

10. Active Labour Market Program for Youth

## V. Process of organizing practice in enterprise

Each of the above mentioned parties will be directly or indirectly involved in organizing and realizing professional practice in enterprise.

The dynamic of the implementation process will be divided into various stages summarized briefly in the table below in order:

#	Actions (work stages)	Actor responsible / bearer of responsibility
1	To specify the number of students who can pursue professional practice in enterprise	The project (in this case)
2	To select the schools <sup>26</sup> which will participate in implementing the project	Regional Education Inspector Municipal Director of Education
3	Defining a contact person at the school	School Director
4	Selecting students who will benefit from the project <sup>27</sup>	School Director /Teacher Liaison person
5	Lists with information about preselected students submitted to the project control Group	Director/ Liaison person
6	Completion of necessary documentation for student applications <sup>28</sup>	Director/ Liaison person Student/Parent
7	To identify enterprise partners bearing in mind the profile of selected students	Director in cooperation with and supported by REC/MEO and KCC
8	Inspection of enterprises interested in providing practice to VET students	Director/ Liaison person Teacher/Instructor
9	Completion of necessary documentation for enterprise applications <sup>29</sup>	Director/ Liaison person Enterprise
10	Organization of the Approval Board – control of applications and approval	Director / Board Members
11	Preparation of an Agreement for practice	School/Students/Enterprise
12	Drafting of memorandums of understanding for	Project – draft of MoU

<sup>26</sup> According to the selection criteria listed in section VI.6.1.

<sup>27</sup> According to the selection criteria listed in section VI.6.2.

<sup>28</sup> According to the list in V.5.6

<sup>29</sup> According to the list in V.5.9

	applications approved by the Board	School – Signed by parties
13	Informing students of the schedule of the enterprise and the duration of their practice	Teacher/Instructor
14	Drafting of a Practice Plan for students in enterprise (results oriented)	Teacher (Instructor) and enterprise
15	Paying workplace insurance for students	Project
16	Supervision and monitoring of students during practice in enterprise	Director/ Teacher /Enterprise Inspector/ Project
17	Evaluation of students' practice at the end of school semester (compared to results anticipated in the practice plan)	Teacher / Enterprise
18	Compensation request – preparing necessary documentation	Teacher / Enterprise /Student
19	Processing compensation request	Project
20	Issuing students' certificates	School/Enterprise/ Project

The steps outlined in this table are explained in detail in the following sub-points, ordered as in the table and according to the development of activities.

### **5.1. Specifying the number of students who can pursue professional practice in enterprise**

As long as the organization of professional practice depends mainly on different donors, and it is not possible to organize practice in enterprise for all students of secondary vocational education schools, the number of students who can pursue professional practice must be specified. Defining the number of students directly depends on the budget that donors or the project have at their disposition to realize this activity. In this event, based on the average cost of organizing practice for one student, the project specifies the number of students and is obliged to communicate this to its co-implementers. Allocation of the number of students by region, so that support is all inclusive, as well as allocating the number of students at selected schools, will be done by the Management and Supervisory Board for the project. The board members are:

- Head of the VET-MEST Division (or delegate)
- Head of the DLE - MLSW Division (or delegate)
- Sector of Regional Education Inspection SEI
- Representative from KCC (or delegate)
- Head of the project (or delegate)

The Management Board should meet after the identification or selection of schools/profiles in accordance with the foreseen criteria. The Board's decisions will be communicated in writing to the parties involved.

### **5.2 Selecting the schools participating in project implementation**

The guideline sets clear criteria for the selection of schools that can participate in the project, where it is not possible to include all schools because of budgetary limitations. School selection will be done by the Regional Education Inspector and the Municipal Director of Education with the approval of the Head of the VET Division in MEST. During the selection of schools and profiles the gender aspect of students should be taken into consideration. The list of schools approved should have information about the school director and contact details. This list should be shared with the Project. School directors and other associates will be informed about the selection. Only interested schools can benefit from this activity.

### **5.3. Defining a contact person at the school**

Interested schools, respectively the school director is the main bearer responsible for implementing the project. The director can delegate some responsibilities outlined in the implementation process to another school representative. The Director also should assign someone from the school who will be a contact person for the Project and other parties, who will be a key liaison person for achieving professional practice; the liaison person should be someone who "knows" the guideline procedures and is able to resolve different issues. The Project should be informed about this decision and contact details of this person (name, surname, and position at the school, e-mail address and telephone number). If a selected person is changed by decision

of the Director, willingly or because of failure to meet duties or obligations etc, the Project must be informed about this change.

#### **5.4. Selecting students who can benefit from the project**

The guideline defines clear criteria for the selection of potential students to follow professional practice in enterprise. The pre-selection of students will be done teachers/instructors (professionally active) and endorsed by the School Principle. Students should be from school profiles selected as possible profiles to participate in the project. The selectors also must bear in mind gender, minority participation and persons with disabilities, and the participation of these groups at the regional level should be:

- At least 50% of students selected must be girls;
- At least 10% must be from minority groups;
- At least 10% of students must have disabilities
- 25% of students must be from families in receipt of social welfare

Naturally, also the interest and willingness of students must be considered, as well as the documented approval/consent of their parents.

During selection, priority must be given to students from families who receive social welfare and students in families in which 2 or more adults are registered as unemployed. To verify this, students will be asked to bring evidence of receipt of social welfare from the Centre of Social Work and proof of unemployment from MEO.

#### **5.5. Lists with information about preselected students submitted to the project – CONTROL GROUP**

With the approval of the school director, the list of preselected students with required information will be sent electronically to the Project Office, before students are informed about their selection for practice in enterprise. The list of students must contain this information:

- Name and Surname
- Date of birth
- Gender
- Nationality
- Municipality
- School profile
- Receiver of social welfare (yes/no)
- Two or more in family unemployed (yes/no)

From this list, the project will segregate 20% of the students. The selection of these students will be done electronically and randomly: i.e. every fifth on the list. The segregated students will serve as a Control Group. The list of the remaining students, who are candidates for pursuing practice in enterprise, will be returned by the Project to the school director, to continue with further preparatory steps. Students who remain as the Control Group will not be able to pursue practice in enterprise through the project. Of course, if the student or school manages to organize practice in enterprise themselves, a student from the control group can pursue the practice, separately from the supported project.

#### CONTROL GROUP

In order to be able to measure HOW MUCH *practice in enterprise* has affected the employment of students and to evaluate its effectiveness, it is necessary to form a Control Group. Students who constitute a control group will be selected by the same criteria as those students who benefit from the project. In this way, the two groups will have the same characteristics. In order to assess the effectiveness of organizing the practice, the two groups' results will be researched and compared. Depending on the results, the implementation process will be reviewed and the guideline will be adapted in order to increase its effectiveness.

#### **5.6. Completion of necessary documentation for student applications**

The list of potential students (excluding the Control Group), will be sent to the school director by the Project. Then, the Director will arrange the completion of documentation necessary for the students. The school is responsible for completing the documentation, naturally in cooperation with the students (and their parents). This documentation will be later presented to the Approval Board.

The necessary documents for students are:

- a. The application (with all fields completed)<sup>30</sup>
- b. Copy of identity card or birth certificate with photograph
- c. Copy of report from the previous school year

For students, who are members of families receiving social welfare, or families where two or more members are registered as unemployed (at least 6 months before), the following additional documentation is required:

- d. Proof of the family's social situation (from CSW) or
- e. Evidence proving registration as unemployed of two family members (from REC)
- f. Copy of bank account
- g. Vendor form<sup>31</sup>

The documentation should be submitted to the Director/Liaison person who will check whether it is complete and in accordance with the selection criteria.

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<sup>30</sup> Attached form as Appendix no.1

<sup>31</sup> Attached form as Appendix no. 7

### **5.7. To identify enterprise partners bearing in mind the profile of selected students**

School directors and teachers now possess lists of selected students, including their profiles. On the basis of these profiles, parallel with the activity under 5.6<sup>32</sup>, the school Director or liaison person will identify potential enterprises, interested in cooperation, and with economic activities which are suit the profiles of selected students. In the event that school representatives have difficulty in identifying enterprises, they can ask the Regional or Municipal Employment Centres and regional representatives of KCC, which will support schools in identifying enterprises. This cooperation, it is hoped will have positive results, bearing in mind that employment advisors are in continual contact with the job market. In addition, during this process, persons in direct contact with enterprises are assumed to know about the implementation process, so that they are able to inform enterprises about the obligations and benefits of enterprises when cooperating to realize practice in enterprise.

### **5.8. Inspection of enterprises interested in providing practice to VET students**

Throughout contact with enterprises, the responsible person must also consider checking the enterprise in order to examine the conditions of the enterprise and the ability to offer practice for students, including space, number of personnel, necessary equipment, student safety, the possibility to nominate one of its experienced employees as mentor for the students etc. Education inspectors will also be committed to visiting enterprises during the practice period, to inspect whether they fulfil the minimal criteria for offering professional practice in enterprise for students.

### **5.9. Completion of necessary documentation for enterprise applications**

For the enterprises which will cooperate and offer professional practice for students, the necessary documentation must be prepared for application. For this, the school will be responsible (liaison person), in cooperation with the enterprise and the Employment Office if necessary.

The necessary documentation for enterprise applications is:

- a. Application (all required fields to be completed including the attached form Appendix no. 1)
- b. Business registration form NACE (with information about activity)
- c. Copy of bank card (account in the name of the enterprise)
- d. 'Vendor' form<sup>33</sup>

The documentation will be submitted to the Director/Liaison person of the school so that it is checked to make sure it is complete. This documentation will be attached to the applications of students who pursue practice in enterprise.

### **5.10. Organization of the Approval Board**

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<sup>32</sup> 5.6. Completion of required documentation for student applications

<sup>33</sup> Attached form as Appendix no. 7



When the above steps have been completed, the respective school director must invite the board members for a meeting, at least one week prior to the date of the board. The meeting of the Approval Board must be organized inside the school.

The members of the Approval Board will be:

- School Director and liaison person
- Municipal Education Director
- Regional Education Inspector
- Regional/Municipal Director of Employment
- Official from KCC (regional representative) as representative of the private sector
- Project representative

The Approval Board will be held only when the majority of board members are present, or their delegates. During the board, the applications prepared by the school will be reviewed. Complete applications which are in accordance with the selection criteria for students and enterprises will be approved by the present members of the board meeting. The Project representative will be responsible for taking minutes during the meeting, a document which will be signed by all members present at the meeting. The documentation presented will be submitted to the project representative.

#### **5.11. Preparation of an Agreement for practice**

After the Approval Board, the School Director/Liaison Person will inform students and enterprises if they were approved by the Board. Also the Director or liaison person will prepare a Practice Agreement for each student (attached form as Appendix no.2). The agreement must be signed by the Director, Student and Enterprise. The signed agreement must be sent to the Project office (scanner/fax). The Director or Liaison Person is responsible for sending the agreement.

#### **5.12. Drafting of the Memorandum of Understanding for applications approved by the Board**

On the basis of individual agreements for practice, signed by the director, student and enterprise and the applications presented to the board, the Project will draft Memorandums of Understanding. As in the example attached in Appendix no. 8, the agreement will be a binding document for all parties involved, and each party during the implementation of the agreement will be held to the obligations and responsibilities specified in the Memorandum of Understanding. The signatory parties will be the School Director, the head of the enterprise, and the Project. The agreements of understanding will be prepared by the Project. The director or representative of the school will be informed about the preparation of the agreements in order to receive the document and the consent to its conditions from all parties by signing. One copy of the agreement signed by all parties will be held by the signatories. If one of the signatories does not fulfil the obligations outlined in this, the party observing this irregularity must inform the co-signatories in writing of this fact.

### **5.13. Informing students of the schedule of the enterprise and the length of their practice**

After signing the Memorandum of Understanding, the Teacher/Instructor is responsible for sending the student to the enterprise, and presenting them to the head of the enterprise. At the same time, the enterprise must present the supervisor assigned for monitoring and leading them during the practice, in the absence of the teacher/instructor or in the case of the need for guidance or help in realizing part of the practice. The guideline foresees that professional practice in enterprise be organized according to the practice hours and days outlined in the curriculum of the respective profile during the school year. On average, according to the school curriculum, 1.5 days of practice work in an enterprise per week are foreseen, which means about 52.5 practice days during the school year<sup>34</sup>. The exact number of practice hours required for achieving the objectives will be defined in the Practice Plan in the attached form in Appendix No. 6. Pursuing practice will be recorded through an attendance form, attached as Appendix no. 5.

*SUMMER PRACTICE:* The same guideline will be used in the case of organizing summer practice for students in secondary schools. Naturally there will be change in the timetable of practice hours. Practice will be organized each day within a specified period during semester breaks, in order to complete practice hours required in the curriculum during the school year.

### **5.14. Drafting of a Practice Plan for students in enterprise**

Considering that it is not necessarily possible to implement all practice required by the curricula in enterprise, as well as the discrepancy between curricula for particular profiles and the needs and realistic manner of exercising a profession in an enterprise, the guideline foresees the drafting of a Practice Plan for students. This Practice Plan will be prepared by the Teacher/Instructor and the head of the enterprise/mentor. The practice plan must contain realistic practice objectives and results that the student is expected to achieve at the conclusion of the practice in enterprise. In the practice plan the schedule of practice must be specified so that the parties are aware.

### **5.15. Paying workplace insurance for students**

Work place insurance for students during practice in enterprise is essential. Being that the cost of insurance momentarily is not possible to be covered by the school, municipal directorates or at the central level, students who participate in practice through the support of the project, will have their insurance costs covered by the Project.

Students will be ensured at one of the local agencies offering this servile. The selection of the insurance agency shall be done conform procurement rules of the organisation or institution responsible for this. Insurance will cover the student for the period attending practice in the enterprise and the duration will depend on the type of practice organised: professional practice in enterprise during the whole academic year or summer practice.

### **5.16. Supervision of students during practice in enterprise**

Professional practice in enterprise is an obligatory part of the school curriculum for secondary vocational schools. During practice in enterprise, according to the Ministry of Education

<sup>34</sup> Approximately 35 weeks lessons during the school year

regulations, the instructor or teacher in its absence must oversee students during practice in enterprise so that the theoretical part learnt at school is realized in practice. On average during a week, depending on the school/profile about one and a half days of practice is anticipated. During this period it is expected that the instructor/teacher will be with the students. However, considering that currently professional practice is not organized for all students and additionally, as most enterprises in Kosovo are small or medium sized, it is physically impossible for all students' professional practice in one profile to be simultaneously organized in the same enterprise. Therefore, this guideline anticipates that the person responsible for supervision and guidance during practice be shared between the instructor/teacher and the enterprise and employees assigned by the enterprise head.

Furthermore, the teacher/instructor and the enterprise are responsible for keeping notes on all students in the form attached in Appendix No. 5 in order to record attendance. This form will be signed by the teacher and instructor at the end of school semester and the copy<sup>35</sup> should be submitted to the Project together with other documentation for compensation, as explained in section 5.18. This activity will occur at the end of the each school semester. .

As well as the teacher/instructor and the enterprise, the regional inspector and the Project will visit students time after time at the enterprise during the practice period.

This is so that the Education Inspectors can verify whether the practice is being done according to the standards foreseen in the law and the curriculum. In addition, because of the responsibilities that the Project has toward donors in this case, it is their duty to verify whether everything is in order, and according to the agreement signed.

*SUMMER PRACTICE:* For students who participate in summer practice, the student attendance form, verified by the enterprise and the teacher/instructor will be prepared at the end of the period of summer practice. A copy of the form will be sent to the project.

#### **5.17. Evaluation of students' practice at the end of school semester**

In the school curriculum, professional practice is expected to develop during the two school semesters. At the end of the school term, the teacher/instructor in cooperation with the enterprise will evaluate the students. During this process, the students achievements will be evaluated in comparison to objectives and results expected to be achieved in the Practice Plan.

This report, as in the attached example in Appendix no. 6, will be submitted to the Project, together with other compensation documentation, as elaborated in section 5.18. This type of evaluation and report of results achieved will occur twice during the school year, meaning at the end of the two semesters.

*SUMMER PRACTICE:* Evaluation of student practice will occur at the end of the period of summer practice, together with the teacher/instructor in cooperation with the enterprise. As with the evaluation process of professional practice during the whole year, the students who pursue summer practice will be assessed to see if they have achieved the objectives foreseen in the Practice Plan.

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<sup>35</sup> An electronic, scanned or faxed copy can be sent

### **5.18. Compensation request**

In other states, enterprises which offer practical training for secondary school students, by state or international laws, are stimulated in various ways (tax exemption or reduction, lower interest loans etc). Such incentives and offers in Kosovo are still not regulated by law. Thus, in the absence of such an institutional mechanism and the absence of a budget for symbolic compensation as a form of incentive, in this implementation phase, the guideline foresees compensation for small and medium enterprises (SMEs).

#### **Compensation for Enterprises**

This compensation is expected to cover the enterprise's expenses (material, time for a supervisory worker, protective clothing depending on the profile etc).

Compensation for SMEs<sup>36</sup> will occur after the end of practice for each school semester. Compensation requests should be submitted to the Project for further processing.

The necessary documents for submitting compensation requests for SMEs are:

- a. Compensation request (attached in Appendix No. 4):
- b. Verification of student attendance signed by the Enterprise and Director (section 5.16.)
- c. Report on student evaluation at the end of the school semester, signed by the Enterprise and Director (section 5.17.)

The Director/Liaison Person will be responsible for helping enterprises in completing documentation and will check to see whether it is complete before submitting to the Project office.

*SUMMER PRACTICE:* Compensation for enterprises will occur at the end of the summer practice. Necessary documentation is the same (compensation request, proof of attendance and evaluation report for students for the period of summer practice).

#### **Compensation for students**

Secondary professional education in Kosovo is free. However, attending school has other additional costs for families, such as travel expenses to school and daily meals. These expenses are covered by the students or their families. Being that professional practice in enterprise is an obligatory part of the school curriculum such costs are also considered to be covered by them. Therefore, this guideline does not foresee compensation for students in general.

However, considering the reality in which we live, this guideline foresees compensation for students who come from families receiving social welfare, and students of families in which two or more members are registered as long-term job seekers. In addition, compensation for students is done by the Project, at the end of each semester, after submitting necessary supporting documentation.

The necessary documentation to submit a request for compensation for students is:

- a. Request for compensation signed by the student and director

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<sup>36</sup> Only small and medium-sized enterprises (SMEs) can be compensated.

- b. Proof of student attendance signed by the enterprise and Director (section 5.16.)
- c. Report on student evaluation at the end of the school semester, signed by the enterprise and Director (section 5.17.)

The Director/Liaison Person will be responsible for helping students to complete documentation and must check it is complete before submitting to the Project office.

*SUMMER PRACTICE:* Compensation requests for students must also be done at the end of the period of summer practice. The necessary documentation is the same (compensation request, proof of attendance and student evaluation report).

#### **5.19. Processing compensation request**

The Project is responsible for processing Compensation Requests for enterprises and students. Compensation will be given only to those fulfilling their obligations, as outlined in the guideline and in the Memorandum of Understanding. Complete compensation requests will be processed by the Project, through a bank transfer.

Each request for compensation must be submitted to a project office within 1 month, after the end of practice (this applies for both semesters and in the case of summer practice) in order to be considered for processing.

#### **5.20. Issuing students' certificates**

Students, who finish professional practice in enterprise, despite the official school diploma, will also receive a certificate from the enterprise for finishing practice in the respective enterprise. This certificate will be a form of evidence that the student has done the practice in enterprise and has some experience in the job market, and so it may be easier to convince employers in their first attempts to find work.

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## **VI. Selection Criteria**

Considering that this Action Handbook has been drafted for trial purposes and that its realization depends temporarily on various donors, it is impossible to organize practice in enterprise for all secondary vocational education schools, as is foreseen in the law on VET. Therefore, to be correct towards the schools and students, selection criteria for schools and students have been prepared.

### **6.1. School selection criteria**

- a. To include schools which express readiness for cooperation
- b. To give priority to schools which have more difficulty in organizing professional practice in enterprise for students
- c. To give priority to schools which lack laboratories/workshops for practice inside or within the school buildings
- d. To give priority to the profiles in which schools find it difficult to offer practice for students (or according to market research and market needs for specific profiles.)
- e. To consider the gender balance aspect of students during selection of schools and profiles (to choose a considerable number of profiles, professions that girls traditionally exercise in order to have a gender balance between students that are able to do professional practice in enterprise).

The list of schools and profiles selected will be sent to the Project. The lists must contain contact information of the School Director. When the list is approved, the selection of students who will participate in the project starts.

### **6.2. Criteria for selecting students**

- a. 12th grade students will be able to be selected
- b. The interest of students in pursuing practice in enterprise must be considered
- c. During selection, gender and minority participation criteria must be respected
- d. Selected students must have an average grade of 3.00, excellent behaviour etc;
- e. Priority must be given to students with special needs;
- f. Priority must be given to students who are social welfare cases;
- g. Students of those profiles for which schools cannot offer conditions for completion of practice must be included;

Selecting students must be done according to the specified criteria. The necessary documentation (see section [V.5.6](#)) for student applications must be prepared by the schools (Director/Liaison

Person) and be presented to the Approval Board for consideration and approval. Board members will approve the applications that fulfil the necessary criteria for participation. Selected students for practice in enterprise will be informed by the Liaison Person/Teacher.

### **6.3. Selection criteria for enterprises**

- a. Small and medium sized enterprises, big enterprises, public enterprises and institutions will be able to be selected;
- b. Only small and medium sized enterprises will have the possibility of compensation.
- c. Private enterprises must be registered at the Kosovo Business Registration Agency;
- d. The enterprise must have an active bank account in one of Kosovo's official banks;
- e. Enterprises that operate as part of the informal economy cannot be selected because of the avoidance of the informal market and the lack of the guarantee of minimal conditions of work security;
- f. The enterprise must have at least 3 employees (owner + two) to have the chance of selection.
- g. Enterprises that have participated before in implementing practice for VET students, can be selected only when previous cooperation was appropriate and when it respected its obligations according to the guideline and the signed memorandum of understanding;
- h. The enterprise's capacity for providing vocational practice for students must be verified;
- i. The enterprise's economic activity must suit the students' school profile;
- j. The enterprise must have adequate staff for student training;
- k. The enterprise must assign someone from its staff for supervising and guiding students during practice

The necessary documentation for enterprise's to be included in the project (see list under section V.5.9.) will be prepared by the Director/Liaison Person in cooperation with the enterprise. The documentation will be reviewed for approval by the Approval Board. The selected enterprises will be informed by the Director/Liaison Person.

#### **Classification of small and medium sized enterprises (Law No. 03/L-031 Article 3)**

The title of Article 4 of the law is amended as "Enterprise Classification" and the entire Article is amended as following:

4.1 The enterprise in order to gain the status of one of the classified enterprise should fulfill the following conditions:

- a) micro-enterprise should employ up to nine (9) workers;
- b) a small enterprise should employ from ten (10) up to forty nine (49) workers;
- c) a medium enterprise should employ from fifty (50) up to two hundred forty nine (249) workers.

4.2 Enterprise according to sub-paragraphs a), b), c) of paragraph 1 of this Article enjoys the right for assistance if it fulfils the conditions defined by this law.

4.3 If the enterprise according to sub-paragraphs a), b), c) ) of paragraph 1 of this Article fulfils the foreseen conditions, has a right to apply in one or more programs and initiatives of the agency for support of MESM.

4.4 Enterprise that applies for participation in programs and initiatives of MESM should submit:

- a) the request for participation; and
- b) declaration of the person responsible for the enterprise showing that the foreseen conditions are being fulfilled according to one of the sub-paragraphs a), b), c) of paragraph 1 of this Article.



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## **VII. Responsibilities of parties**

### **7.1. Responsibilities of the Division of Education and Vocational Training - MEST**

- a. DVET is responsible for monitoring the implementation of the project in general
- b. The head of the DVET is a member of the Project Management and Supervisory Board
- c. DVET is responsible for supporting the realization of the project
- d. DVET is responsible for responding to the requests and documents that are produced during implementation and taking necessary decisions in particular cases
- e. For every criticism, praise or suggestion, DVET will inform the school in writing

### **7.2. Responsibility of the Municipal Director of Education (MDE)**

- a. MDE is a member of the project Management Board
- b. MDE is responsible for helping to select schools which will benefit from the project, respecting the criteria outlined in the guideline.
- c. MDE is responsible for supporting the school in realizing the project

### **7.3. Responsibilities of the Regional Sector for Educational Inspection SEI**

- a. SEI is a member of the Management and Supervisory Board of the project
- b. SEI is responsible for selecting the schools which will benefit from the project, respecting the criteria outlined in the guideline.
- c. SEI is responsible for inspecting the realization of practice in enterprise
- d. SEI is responsible for exchanging documentation and information during the implementation of the project with involved parties

### **7.4. Responsibilities of the school**

- a. The school is responsible for identifying and selecting students which will participate in the project, in accordance with outlined criteria;
- b. The school is responsible for identifying enterprises interested in offering practice for students
- c. The school can contact employment offices and KCC representatives if it needs assistance in identifying enterprises

- d. The school is responsible for completing the application form and for completing other relevant documentation in cooperation with the enterprise and student;
- e. The school must prepare a practical lesson plan in cooperation with the enterprise for the selected student, as well as following the regular attendance of practice, activities and results in accordance with the curriculum;
- f. The school in cooperation with the enterprise is responsible for informing students about the measures that they must undertake for safety at workplace ;
- g. The school in cooperation with the enterprise is responsible for verifying regular attendance at practice and for drafting a final report on the students' achievements, which will be attached to the request for compensation as outlined in the guideline
- h. The school is responsible for exchanging documentation and information during the project implementation with involved parties.

#### **7.5. Responsibilities of the student**

- a. The student must respect the schedule of practice at the enterprise
- b. The student must be regular and active during all the time at the enterprise
- c. The student must behave correctly toward the enterprise employees
- d. The student must be careful during practice at the work location
- e. The student must be advised and supervised by the teacher/instructor or a supervisor assigned by the enterprise when working with enterprise equipment
- f. The student must complete and sign necessary documentation required by the guideline
- g. The student is not allowed to remove material goods from the enterprise

#### **7.6. Responsibilities of the parent**

- a. The parent must consent that their child attends professional practice in a specified enterprise
- b. The parent must be informed about the progress of their child's practice
- c. In certain cases, the parent must be consulted about issues relating to their child

#### **7.7. Responsibilities of the Department of Labour and Employment**

- a. The director of DLE is a member of the project management board
- b. DLE is responsible for supporting the realization of the project
- c. DLE is responsible for responding to requests and documentation produced during implementation and supporting the avoidance of irregularities.

### **7.8. Responsibilities of Regional Centres and Municipal Employment Offices**

- a. REC and MEO will support the school during the identification of enterprises in the labour market, as needed
- b. REC and MEO are responsible for securing verification for the student, that family member are registered as job-seekers at these services.
- c. REC and MEO will assist in the completion and exchange of documentation and important information during project implementation, according to needs.

### **7.9. Responsibilities of Centres for Social Work**

- a. CSW will assist students to prove that their families receive social welfare

### **7.10. Responsibilities of the Enterprise**

- a. The employer consents to offer professional practice in the enterprise for students of vocational education, and more precisely, to accept students in the working environment, to appoint an employee for supervision/mentoring of students during practice and to allow them to use their equipment and tools, which are specific to their respective activities and profile.
- b. The employer keeps records about the student during their stay at the enterprise.
- c. The employer always releases UNDP from responsibility for any request that many fall outside the framework of this guideline
- d. Should the employer end the agreement for practical learning before the foreseen period, they must inform the signatory partners of the agreement in writing at least two weeks prior (School/UNDP/MEST/MLSW).
- e. If it is shown that the employer is misusing the system (the cooperation with parties during the realization of this guideline), they will be excluded from future cooperation for a specified period.
- f. The employer agrees to submit a request for compensation directly to UNDP/MEST at the end of professional practice for each semester, attaching documentation required by the guideline
- g. The employer will issue a certificate for student attendance and achievements after the end of professional practice learning.

#### **7.11. Responsibilities of the Project (ALMP/UNDP)**

- a. The Project will directly compensate SMEs for each student, based on the report of their regular attendance at practical lessons and the monitoring report which is verified by the teacher/supervisor and enterprise.
- b. The level of compensation for the enterprise will depend on the number of days that the student has attended professional practice at the enterprise
- c. The project will directly compensate students, who fulfil compensation conditions, according to the foreseen criteria. The level of compensation will depend on the number of days that the student has attended professional practice at the enterprise.
- d. The project will provide students with 'workplace insurance', the costs of which will be covered through an insurance company. The insurance company will be responsible for costs deriving from an accident and/or illness occurring in the work place during the period of "professional practice in enterprise".
- e. The project will compensate SMEs after the end of "professional practice in enterprise". Compensation will occur after the receipt of a compensation request together with documentation specified in section 5.18. Compensation will be deposited directly into the bank account of the employer and according to the data in the "VENDOR" form at the end of the school semester or the end of the period of summer practice.

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## VIII. Monitoring and Reporting

It is proposed to establish a Monitoring Board, headed by the School Principle that shall gather in certain intervals to monitor the implementation process, its achievements and to address any obstacle or issue that may arise during the implementation of the activity. Members of this Monitoring Board shall be:

- a) the School Principle
- b) Three representatives from school personnel (one of them should be the assigned Focal point)
- c) One representative from the Municipality/MED
- d) One representative from municipal employment office
- e) One representative from the students/ student's council
- f) One representatives from the parents/ parents council
- g) At least two representatives from the businesses/ matching school profiles
- h) One representative from the unions of respective sectors

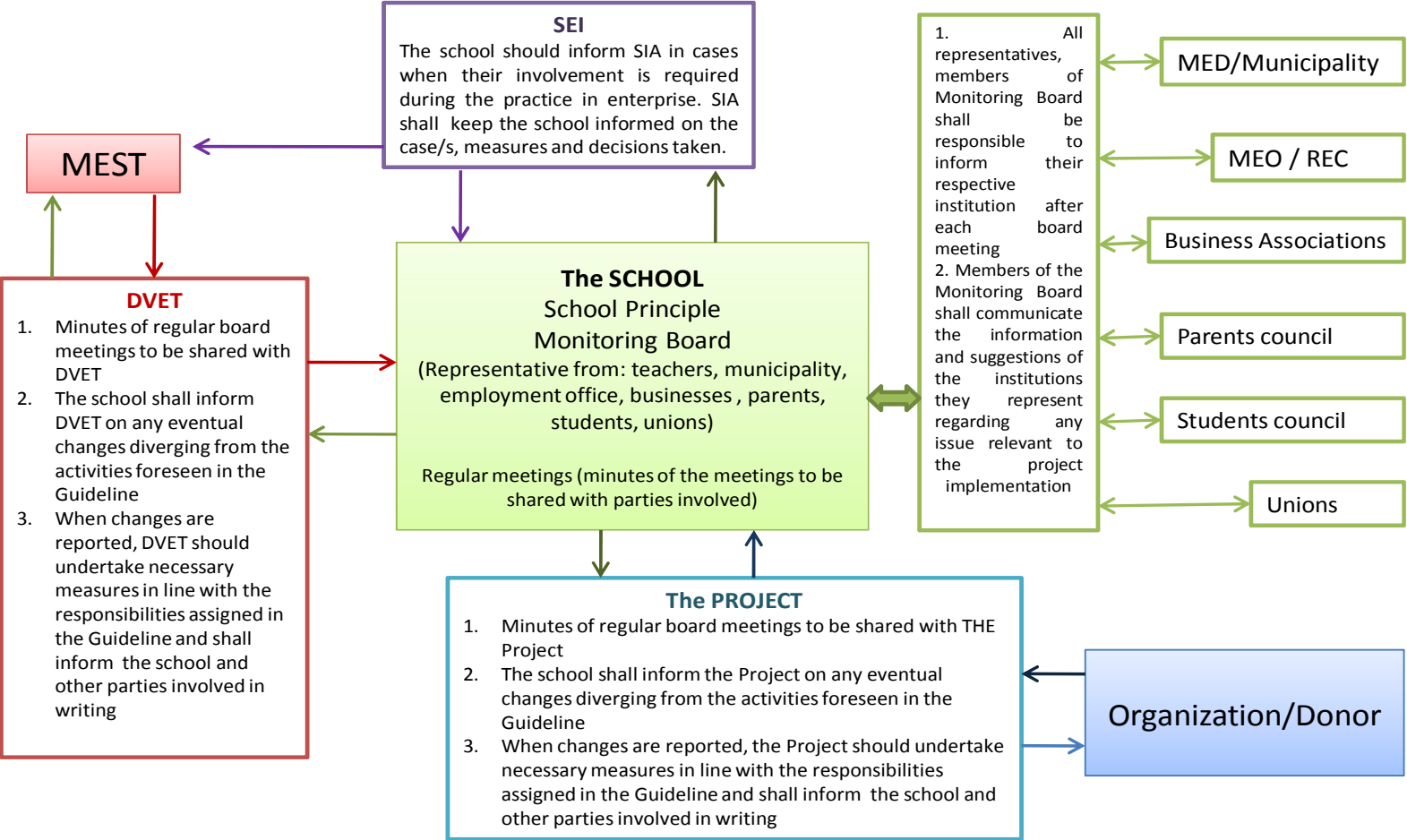
The Board members shall also be responsible to communicate all information relevant to the process of implementing the activity during the board meetings. Minutes of every board meeting shall be prepared and shared with the supporting organization/institution and other parties involved.

The school, respectively the school director, holds the main responsibility for the progress of professional practice in enterprise. The Director is obliged to inform parties from other institutions involved in the implementing process regarding any eventual change diverging from the activities foreseen in the Guideline and the signed Memorandum of Understanding. As in the graph enclosed, the School and the Monitoring Board will be a contact and reporting point for all parties included in implementation:

During the project implementation, the parties are obliged to inform and report in writing. This obligation is linked with the duties and responsibilities that each party has deriving from the institutional post they hold, as well as in line with the responsibilities foreseen in the Guideline and Memorandum of Understanding.

The project will prepare a Progress Report, Narrative and Financial, which will contain a summary of information relating to the realizing of the Guideline, including the number of beneficiaries and data on their key characteristics. All parties will be included in preparing the Progress Report which will be submitted to the respective institutions and donors.

# MONITORING AND REPORTING



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## **IX. APPENDIX**

- Appendix - 1 - Application form for students and enterprises
- Appendix – 2 – Agreement for professional practice
- Appendix – 3 – Request for compensation for student
- Appendix – 4 – Request for compensation for enterprise
- Appendix – 5 – Report on practice attendance
- Appendix – 6 – Practice Plan in enterprise and Evaluation
- Appendix – 7 – Vendor form
- Appendix – 8 – Memorandum of Understanding

ANNEX -2.

Conceptual Framework for a Labour Market Information System for Kosovo



Conceptual Framework  
For a Labour Market Information System  
For Kosovo

July 9, 2011

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This report has been prepared in partial fulfillment of the requirements under the Terms of Reference for the UNDP Kosovo project, “Establishment of a Functional and Reliable Information System (LMIS)”, with services of the international expert as covered by UNDP Individual Contract No. 2011-IC- 022.

As per the terms of reference, the report will assess the institutional mechanisms and capabilities to collect labour market information (LMI), identify the role and responsibilities of relevant LMI producers, and propose the means by which the data and information included in the LMIS would be analyzed and disseminated. It will also briefly identify relevant needs – including those not addressed in the draft 2010 Ministry of Labour and Social Welfare LMIS concept paper – to establish a functional LMIS, with greater detail to be included in the follow-on Action Plan to be prepared by the international expert.

In the proposed conceptual structure for the LMIS for Kosovo that serves as the main body of this report, the LMI to be collected is identified in considerable detail (in the annex) within the framework of the labour supply/demand approach recommended, along with the institutions expected to produce the data in each case. The LMI is presented according to the proposed website format for the LMIS, with brief explanations of the significance of the data given under each module of the LMIS framework.

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## LIST OF ACRONYMS

AKB	Alliance of Kosovar Businesses
ALMP	Active Labour Market Programme for Youth
BRA	Business Registration Agency
DLE	Department of Labour and Employment
EU	European Union
ICSE	International Classification by Status in Employment
ISCO	International Standard Classification of Occupations
ISIC	International Standard Industrial Classification of All Economic Activities
KCC	Kosovo Chamber of Commerce
KPST	Kosovo Pensions and Savings Trust
LMA	Labour market analysis
LMI	Labour market information
LMIS	Labour market information system
LFS	Labour Force Survey
MCYS	Ministry of Culture, Youth and Sports
MEST	Ministry of Education, Science and Technology
MF	Ministry of Finance
MLSW	Ministry of Labour and Social Welfare
MPA	Ministry of Public Administration
NACE	Nomenclature of Economic Activities within EU
NQA	National Qualifications Authority
OCC	Occupational Classification in Kosovo
PES	Public Employment Service
SOK	Statistical Office of Kosovo
TAK	Tax Administration of Kosovo

## Executive Summary

The Government of Kosovo is introducing a labour market information system (LMIS) for the first time in its economic planning in compliance with the standards set for gaining admission to the European Union. After a review of institutional mechanisms and capacities for collection of labour market information (LMI) for such a system, this paper identifies the needs for establishing a LMIS for the country and the means by which the data and information provided under the LMIS could be disseminated. Drawing from “best practices” followed by other countries, the paper develops a concept for a Kosovo LMIs, organized within a labour supply-and-demand framework aimed at capturing the dynamics of the labour market. An annex extensively identifies the tabular data that should be collected from LMI producers that cover labour supply, labour demand, imbalances deriving from supply-and-demand interaction, and operation of the labour market, including on interventions by intermediaries to improve its functioning.

## 1. Introduction

In order to meet the economic reform criteria for accession to the European Union, the Government of Kosovo has been seeking to meet the requirements set by the European Partnership Action Plan (EPAP) in the area – among others – of employment promotion, implementation of active labour market policies, and creation of an official labour market, all components of an employment strategy included as a key priority in the EPAP for Kosovo. In response, the Kosovo government in 2009 has introduced a comprehensive Employment Strategy plan for 2010-2012 that provides for policies and actions to meet the constraints it faces in complying with European standards on employment. As the government body responsible for implementation of the employment strategy, the Ministry of Labour and Social Welfare (MLSW) has followed up with a Sectoral Strategy Action Plan for 2011-2012/13 to address the employment (and training) issues identified in the Employment Strategy document in greater detail as they pertain to its responsibilities. Recognizing that the exceptionally high rate of unemployment is one of the main problems in Kosovo's socio-economic development, the "Vision of the Economic Development of Kosovo 2011-2014", released by the government in April 2011 as its development plan, accords "reduction of unemployment by 8-10%" as a top goal.

However – and as recognized by the EPAP and the Kosovo government – the formulation of plans, strategies, policies, and actions to address key employment issues is handicapped by the dearth of comprehensive and reliable data and information on the country's labour force and employment situation that are needed to serve as the basis for such formulation. To address this serious weakness, the Employment Strategy document, as well as the MLSW Sectoral Action Plan, call for the establishment of a reliable labour market information system by the end of 2011. Such a system would bring together the scattered data and information on all aspects of labour supply and demand, including imbalances, as well as the operation of the labour market, in one body for the use of government planners. A LMIS would also identify additional data that should be provided by producers (particularly the Statistical Office of Kosovo) to fill gaps in LMI and allow planners to comprehensively address employment issues as required by the EPAP.

Introducing a LMIS for Kosovo is a novel step for the government to take, given its lack of experience with the concept. The proposal presented in this paper draws on the "best practices" experience of other countries that have established such systems, but as tailored here to meet the particular situation and needs of Kosovo. Such "best practices" have been comprehensively described in a 2006 study based on the experience of Canada, recognized as a world leader in development and delivery of labour market information.<sup>37</sup> For an optimal LMIS, the study identifies six "best practices": (1) government intervention to build and maintain the LMIS to produce reliable and relevant information, (2) dissemination of the LMI in a user-friendly way to improve the efficiency of the labour market, (3) collaboration of all relevant government ministries and agencies as well as of the private sector, (4) involvement of intermediaries, including counselors, career facilitators, and employment service staff, (5) provision of labour market analysis to interpret the LMI, and (6) organization of LMI according to labour force, labour demand, occupation, and education and training, cross-tabulated by industry, occupation, and education. Among other small countries such as Kosovo, Jamaica and Fiji have each developed labour market information systems that basically follow the "best practices" of the

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<sup>37</sup> James F. Woods and Christopher J. O'Leary, *Conceptual Framework for an Optimal Labour Market Information System: Final Report* (Kalamazoo: W.E. Upjohn Institute for Employment Research, 2006).

Canada study. The Jamaica LMIS also includes an on-line employment exchange that in Kosovo is the responsibility of its Public Employment Service instead, while the Fiji LMIS (designed by the author of this paper) excludes a labour market analysis component.

What exactly *is* a LMIS? The International Labour Office has defined it as “a comprehensive system of collecting, analyzing, and disseminating quantitative and qualitative information on the situation and trends in labour supply and demand and on the factors causing distortions between the two, including in different economic sectors, occupations, and areas of a country” One should also add the need for data and information on the resultant *imbalances* between labour supply and demand, in the form of surplus supply ( leading to unemployment) on the one hand and inadequate supply (at occupational level) resulting in labour shortages on the other. As this suggests, a LMIS should cover both the macro and micro (occupational) levels of labour supply/demand and resultant imbalances.

It should be emphasized that a LMIS should attempt to capture the dynamic nature of a functioning labour market, in which multitudes of players are acting. On the labour supply side, young people are terminating their studies and entering the labour force in search of jobs while other persons already in the labour force are retiring or leaving it for other reasons. On the labour demand side, existing jobs are being destroyed ( through business failures or internal reorganization in firms) at the same time as new jobs are being created following establishment of new firms or expansion of existing ones while existing jobs are being refilled when incumbents leave. Ideally a LMIS should provide whatever data is available on all these movements, as reflected in operation of the labour market, not just present data and information the labour force and employment situation at a point in time, such as derived from a population census of labour force survey. However, it must be recognized that the collection of labour statistics of few countries is so developed that components of *labour demand* can be broken down as indicated here. In the following diagram, an attempt is made to portray these labour supply and demand movements.

Schematic of Annual Labour Supply-Demand Flows

Labour Supply (Labour Force)		Labour Demand (of Public & Private Employers, including in Self-Employment)
Working-Age Population (Aged 15-59 Years)		New Positions Created
Of Which Joining Labour Force (Economically-Active Persons)		Minus Existing Positions Destroyed
Minus Those Leaving Labour Force (Through retirement, death, etc)		Plus Refilling of Vacated Positions
Equals Net Job-Seekers (Excludes unemployed persons already in labour force seeking employment)		Equals Net New Labour Demand

Of Whom Gain Employment	Labour Market Operations	Of Which Positions Are Filled
Of Whom Fail to Obtain Employment (and become unemployed = Labour Surplus)	Supply/Demand Imbalance in Labour Market	Of Which Positions Go Unfilled (Vacancies = Labour Shortages)
Resultant Net Additional Employed Persons in Labour Force at Year's End	← Equals →	Resultant Net Additional Employment at Year's End
Resultant Net Addition to Numbers Unemployed at Year's End		Resultant Net Additions to Total Number of Vacancies (Skill Shortages) at Year's End

Who are the beneficiaries of a functioning LMIS? In Kosovo, and as indicated in the employment strategy, it is government planners and policy makers tasked with responding to the critical employment issues facing the country who are seen as the main users of a LMIS. These would include those responsible for the formal and informal education and training systems in the country who need labour market information to be able to respond to the need for equipping the potential labour force and the unemployed with the qualifications employers expect of them to meet their labour requirements. It follows that public and private sector employers also need such LMI to know with what education and training young Kosovars are being provided to meet their labour demand needs. Also involved in this process of school leavers transitioning to the labour market, career counselors require LMI to provide guidance to students and unemployed persons for selecting occupations for which a demand is foreseen. Finally, it is job-seekers – both those in unsatisfactory employment and those without any employment – as well as young Kosovars still in the education/training system who will be entering the labour market in the future – who are intended as the *direct* beneficiaries of a LMIS.

## **2. Assessment of Current Institutional Mechanisms and Capacities and Means by which to Address Shortcomings to Collect and Disseminate LMI**

At present there is no source of LMI that comprehensively covers Kosovo's labour supply (labour force) or labour demand (employment + vacancies), necessary data and information that should serve as benchmarks for a LMIS. Typically, such LMI derives from a population census or a labour force survey, but the results of Kosovo's first census since 1981 will only become available in adequate detail for a LMIS in 2013. Assuming that the census population frame is used for the 2011 (annual) Labour Force Survey (LFS), results from the survey based on sampling should be made public in the necessary detail in 2012.



It is the Statistical Office of Kosovo (SOK) that is responsible for carrying out the population census and the annual LFS and as such is the most important institutional producer of LMI for Kosovo's LMIS. Beginning with the 2011 LFS, when absolute numbers (rather than percentages as in its previous annual surveys) will be made available, it will be possible to track changes in Kosovo's labour supply and demand in considerable detail.

For a country such as Kosovo, where very high rates of unemployment characterize the labour market due to highly excessive numbers of job-seekers (including the discouraged unemployed) matched against too few job opportunities, comprehensive and reliable data on the levels and characteristics of the unemployed are essential for a LMIS. Only a population census or a labour force survey can capture such vital data. In Kosovo, the only source of unemployment figures at present (other than percentages) is the Public Employment Service (PES) of the Ministry of Labour and Social Welfare, deriving from its registration of unemployed job-seekers. However, such data is unreliable and does not represent the true picture of unemployment in Kosovo for a number of reasons. On the one hand, most such job-seekers do not register with the PES, a situation typical in other countries where there is no financial incentive to do so and where job-seekers know that only a small percentage of their numbers will be able to gain employment via the placement services of the employment service. On the other hand, the numbers of registrants carried on the books of the PES are *inflated* to the extent that (1) many such registrants are actually working (including in the so-called "gray economy") and are seeking to obtain a better job (perhaps 20% of the total number of registrants, according to the Prishtina regional office of the PES), (2) *all* working-age persons in households without a member in paid employment must register as unemployed with the PES (except fulltime students) in order for the household to obtain social assistance payments from the MLSW, and (3) many persons carried on the PES records are no longer seeking work, having obtained employment, emigrated, or become economically-inactive, in each case without the PES being informed.

Similarly, the PES is handicapped in its operations by its inability to capture all vacancies of employers as they occur, since such registration with the PES is voluntary and employers due to preference have tended to fill their needs via other means, such as via family and friends. However, this method may be declining in importance in recent years: a 2010 survey of 1,200 AKB member companies indicated that only 36% of their vacancies were filled by such informal means, though on the other hand only 27% were filled following through with the PES.

At any rate, the PES is understaffed to carry out its functions, with the ratio of placements to numbers registered as unemployed very low by international standards.

Given the absence of comprehensive data on the labour force, labour demand, and unemployment (and the unreliability of PES unemployment figures), a LMIS for Kosovo must start *without* complete and reliable benchmark data. Only in a proposed second stage of development of Kosovo's LMIS – in 2012/2013, when SOK data will become available from the 2011 census and the 2011 LFS – will a LMIS have the reliable and comprehensive data required for monitoring changes in the labour market and making projections of estimated future levels of labour supply, demand and the imbalances between the two.

For a first stage LMIS – expected to become operational in early 2012 – we must rely on fragmentary and partial coverage data for benchmarks on labour supply and labour demand, all deriving from government administrative data and private sector sources (such as occasional surveys of bodies representing private employers), rather than data from comprehensive sources.

On the *labour supply* side of the equation, the detailed data of the Ministry of Science and Technology (MEST) on enrollments and drop-outs by grade and of university enrollments will allow a relatively reliable estimate to be made of the number of youth leaving school and university each year by level (and type) of education and according to gender. Such school leavers constitute the potential labour force additions. When estimates of their labour force participation rates are applied to their numbers, the annual flows into the labour force can become known (assuming they are comprised of persons who have at least *some* level of formal education). Those responsible for operating the LMIS will need to use flow analysis to determine the numbers annually of school leavers, not all of whom will be entering the labour force in search of employment, of course.

On the *labour demand* side, the data and information required to build up a picture of the current situation for a first stage LMIS presents problems in the absence of census and labour force survey data on employment and its characteristics. While the numbers provided by the Civil Service Department of the Ministry of Public Administration (MPA) are believed reliable (albeit lacking in occupational detail) for the public sector, coverage of employment in the all-important private sector is seriously incomplete. Unlike for those employed in the civil service, there is no official identification card (such as an *ecard* in some countries) required of private sector employees that could be included in a database to yield total numbers of those in paid employment. Only data on the so-called “formal sector” of private employment (subject to government regulation) is available, with the main source the data base of the Kosovo Pension and Savings Trust (KPST), which covers both public and private (employed) members of the Trust (though not in adequate detail for breakdown by occupation). It has been estimated that some 50% of private employment in Kosovo is in the so-called “gray economy”, made up of self-employed persons and employees in unregulated micro enterprises that have not registered with the KPST or the Tax Administration of Kosovo (TAK), another source of “formal sector” employment paralleling that of the KPST.

It is for this reason that we have a very incomplete picture of the private sector of employment in Kosovo at present. Part of the employment in the formal sector is being – or will be – captured by the two main private business sector associations – the Kosovo Chamber of Commerce (KCC) and the Alliance of Kosovar Businesses (AKB) via surveys on labour demand of their member companies. The LMIS will necessarily rely on their cooperation to provide data and information on characteristics of employment of their member companies, including on expected labour demand of such companies in the near future.

The Kosovo Business Registration Agency (BRA) maintains records of all private businesses, including those newly-registering and those going out of business, data that provides a picture of the dynamic nature of the private sector. Its data on newly-registered enterprises and those closing is regularly reported to the Statistical Office of Kosovo and is utilized – along with that of the TAK -- in the tabular information included in the SOK’s *Quarterly Statistical Repertoire of Enterprises in Kosovo*. However, the SOK report does not cover the totality of existing enterprises nor indicates the employment in the newly-created enterprises or closed ones. Furthermore, the BRA’s data on the

totality of enterprises evidently includes inactive businesses, while employment changes over time in active enterprises are not necessarily reported to the BRA.

In 2006, the SOK carried out the first survey of enterprises in Kosovo that covered 2005 characteristics of TAK-registered enterprises, including total employment according to economic activity (NACE) and size of enterprise (in terms of number of employees), based on a sampling of the enterprises. Such employment data was also produced by SOK for the years 2005, 2006 and 2007 from TAK sources in SOK's *Statistical Repertoire of Enterprises in Kosovo 2004-2008*. However, no more recent employment data has been made available by SOK .

At the level of Kosovo's macro planning, a 2008 study prepared by an official of the Macroeconomics Department of the (then) Ministry of Economy and Finance (MEF) made projections of employment as related to gross domestic product for the 2008-2011 period, but no more recent baseline estimate-- nor projection -- of employment has been made by the Department (now part of the new Ministry of Finance). However, it is anticipated that the Department will be preparing such estimates and projections as part of its responsibilities. Such macro-level data should be incorporated within the LMIS.

Data and information on *labour supply/demand imbalances* arising when the two sides intersect refer on the one hand to unfilled vacancies of employers ( i.e. skill shortages) and on the other to surplus of labour supply in relation to the demand (resulting in unemployment). In the case of Kosovo, is the *surpluses* that are at the heart of the labour market situation in view of their overwhelming numbers (and as a percentage of the labour force). As noted earlier, the PES of the MLSW collects such data deriving from registrations of the unemployed, but with unreliable results due to the factors noted. The PES needs to screen out all but bona-fide unemployed job-seekers and is reportedly planning to do so under new MLSW regulations awaiting approval. However, only a population census or labour force survey can capture the total numbers of unemployed, including those who have not registered at the PES .

Data on *skill shortages* is not available at present in a systematic and comprehensive way. The AKB included information on such shortages (by four-digit occupation) in 1,200 member enterprises in its 2010 survey, while the Chamber of Commerce is planning to carry out surveys that would indicate skill shortages among its members too. Employers could be asked to identify vacancies that were proving difficult to fill in sufficient occupational detail to be of use for a LMIS as a source of information for remedial action by skill-generating institutions.

It is the efficient *operation of the labour market* that helps overcome skill shortages and promotes reduction of surplus labour supply in particular occupations. In this connection, data is required on wage and salary levels within the system of incentives that affect allocation of labour in the labour market, but at present no such information is collected (except for the Civil Service of government) Data and information on the effectiveness of interventions in the labour market by government –such as in the provision of training for PES unemployed to qualify them for particular jobs –is collected by the MLSW, as is data on the placement of such unemployed in jobs by the PES. Data on the results of career guidance for upper secondary and public university students as well as for unemployed registrants at the PES – another form of government intervention in the labour market – can be collected. Tracer studies on the fate of former students and vocational training graduates in the labour

market can produce information indicating the “external efficiency” of the education/training system, though to date none have been mounted except one by the University of Prishtina’s Career Development Centre, the results of which will be made available to the LMIS.

At present there is only partial *dissemination* of labour market information in Kosovo. Only the MLSW’s Department of Labour and Employment – in its monthly reports providing data on monthly registrations of unemployed applicants and cumulative totals, placements of applicants in jobs, and registration of employer vacancies (as well as unemployed receiving training in PES vocational training centers) – provides regular and updated data on labour market operations. The annual SOK labour force surveys to date have also made available in its reports (including via the internet) data and information and description of the results of such surveys, but only in percentage terms of little value for a LMIS. This weakness will be overcome with the mounting of the 2011 survey producing numbers rather than percentages. The SOK also publishes a quarterly report on new (and closed) enterprises, but without indicating employment created (and destroyed). The publication by the AKB of the results of its 2010 survey of member companies (in English on the internet) represents a step in the right direction as regards dissemination of data and information covering the private sector. It is being proposed in this report comprehensive dissemination of the data and information collected for the LMIS via a discrete website for that purpose. (See D below).

### **3. Identification of Relevant Needs of a Functional LMIS**

This section will attempt to identify the needs for establishing a functional LMIS, including additional to those addressed in the draft 2010 MLSW concept for a Kosovo LMIS prepared by the Department of Labour and Employment.

#### **3.1 Collection of Information**

The draft MLSW concept paper includes a vast list of data that should be collected for the LMIS, arranged simply by source of the LMI. It does not include LMI of the MPA on public sector employment, the KPST on its membership of employed persons, the Tax Administration on income tax payers, or the Chamber of Commerce and the AKB on its private sector employer membership, nor does it indicate *what* data should be collected from the SOK.

However, the main problem with the draft concept is that the data indicated to be collected is not arranged according to any relationship with the labour market, as the name of the proposed information system ( *labour market* information system) implies should be done. In this connection, it is proposed here to arrange the LMI according to a labour supply-and-demand framework that would encompass data of any nature related to the labour market.

As regards identification of data and information needs for a functional LMIS, this report in section C below indicates (and within the labour supply and demand framework proposed) exactly *what* LMI should be collected and *who* the producer of the indicated data and information is. In the Annex to this report, linked to the text’s labour supply/demand framework, specific LMI that should be collected in tabular form is identified, as is the LMI producer in each instance. The report differentiates between what can currently be made available in stage one of the LMIS and what can be expected to be released in 2012 and 2013 for the second stage of the LMIS.

### **3.2 Information Processing**

The draft MLSW concept paper emphasizes processing of LMI at *regional* level by the producers identified in the paper. This methodology is certainly the appropriate one for operations of the Public Employment Service and for enrollments in the school system of the MEST, among others, as well as for the results of the population census and the labour force surveys as processed by the SOK, but of course may not be relevant for other LMI producers. Whether for these producers the LMI should be processed at the regional level will depend on their own methodology for collecting and processing their statistics.

Other aspects of processing as covered in the MLSW paper also appear logical. As noted by another IT specialist, in general information processing for the LMIS should be performed in a structured manner following detailed discussions with stakeholders (producers and users) to reach agreement with the management of the LMIS.

### **3.3 Information Analyses**

As noted in the draft MLSW paper, the LMIS should indeed include analyses of the collected and processed LMI, including of trends and as the result of research, as indicated in the paper. Where possible, the LMIS analyses should also provide short- and medium-term projections of labour supply and demand, as well as resultant imbalances. Such analyses are of particular importance for government planners and policy-makers, but also are of value to skill-training institutions (including universities), career counselors, representatives of the private sector (Chamber of Commerce and the AKB), and individual researchers, as well as to job-seekers and employers as direct beneficiaries of the LMIS.

### **3.4 Distribution of Information**

The draft MLSW paper indicates that the LMI collected, processed, and analysed under the LMIS should be distributed to the producers of the LMI. Of course, it should also be disseminated to the *users* of such LMI, including both the direct and indirect beneficiaries of the LMIS, including government planners and policy-makers in the Ministry of Finance, the MEST, and the MLSW, among others, plus donor organizations, private sector representatives, career counselors, vocational training institutions and universities, and (via the internet) job-seekers and individual employers. (Dissemination means will be covered in Part D of this report).

### **3.5 Non-Functional Requirements**

In this section, the draft MLSW paper covers the technical aspects of setting up the system for the LMIS. Not being an IT specialist, I am not qualified to comment on the substance of the material presented and assume that the subject has been covered in full and in a technologically-correct manner.

### **3.6 Organisational Requirements**

The draft MLSW paper does not include a section indicating the non-IT needs for establishing and operating the LMIS. These would include questions concerning the location of the LMIS, its staffing, and capacity-building for LMIS staff, among others, and should also cover the role of the LMIS Working Group, particularly as it affects sustainability of operation of the LMIS, including regular updating of LMI provided by Working Group member organizations. However, identification and description of these requirements are more relevant to the Action Plan that will be prepared by the international consultant following submission of this report.

## **4. Proposed Conceptual Framework for the LMIS**

It is proposed that the required LMI for the Kosovo LMIS be organized within a labour supply-and-demand framework as the most logical way to allow users of the system to comprehend the dynamics of the labour market through the interaction of the two forces. To the extent the LMI allow, it will identify (gross) flows of the labour supply into and out of the labour force and into and out of employment, working from benchmark positions of labour force and employment at a starting point in time. In the case of stage 2 of the LMIS, this would mean from 2011 as the date to which the 2011 census and labour force survey results refer.

Accordingly, the proposed website for dissemination of the LMI is organized into four main sections – labour supply, labour demand, labour supply/demand imbalances, and operation of the labour market. A fifth section – covering job applicants, employer vacancies, and training opportunities – is also included in support of job placement and training activities. These modules are preceded by a Home page and an Introduction web page to familiarize users with the system. Each subsection of each module allows the user to access the relevant data collected, processed, and cross-tabulated by the LMIS and will include links to other websites for related data and information, where appropriate. These front-end considerations represent the final stage of the operation to set up the website, following consideration of such IT matters as functionality, database relationships, interoperability, and security.

### **Home Webpage**

Here, not to exceed 600 words, the following questions will be briefly addressed:

- What *is* a Labour Market Information System?
- What is the purpose of a Labour Market Information System?
- Who are the intended beneficiaries of a Labour Market Information System?
- How is this website organized?
- How can we be contacted for any queries regarding the labour market data and information presented here?

## **First Main Section (Module): Introduction to the LMIS-Kosovo**

(Text) This website is structured in four main sections (modules) that allow systematic presentation of labour market data and information (LMI) according to the basic components of a labour market: (1) labour supply (i.e. the labour force), (2) labour demand (mainly employment), (3) labour supply and demand imbalances ( in the form of skill shortages on the one hand and unemployment on the other), and (4) operation of the labour market. In addition, a fifth section has been added, linked to an on-line marketplace for direct access by job-seekers and employers and to training programmes. Subsections under each of the four main sections (tier two) provide in tabular form the relevant data and information for that section. All data and information will be updated on a regular basis as it becomes available from the producers of such LMI and thus will show trends over time.

Textual description and analysis of data will complement the data itself to indicate the significance of the figures presented. The text will also include hyperlinks to other websites to allow access to the producers of the data and to any reports produced by them using their data, as well as for more detailed regional breakdowns of the data that may not be presented on the website.

### **4.1. Second Main Section: Labour Supply**

Labour supply is comprised of the number of persons of working age (in Kosovo, considered 15-64 years) who are economically active at a point in time. The term is synonymous with the labour force. It includes all those who are employed or unemployed. Over time, their numbers are increased by those leaving school and entering the labour force in search of employment and decreased by those leaving the labour force due to retirement, death, emigration, or other causes. These are *gross* flows into and out of the labour force that yield a *net* figure at a point in time for the labour force when their numbers are incorporated into labour force figures.

#### **4.1.1 Benchmark Data 2011**

##### **a. Potential Labour Force**

The potential labour force is made up of the total population, including those below working age (0-14 years old) . An age distribution of the total population (and according to gender) will show the numbers below working age who comprise those who may be entering the labour force at some point in their lifetimes. Section 4.1.1.a of the Annex indicates the tabular data required from the results of the 2011 population census and the 2011 labour force survey.

##### **b. Working Age Population by Status 2011**

The working age population comprises all persons in Kosovo aged 15-64, who for statistical purposes are considered the candidates for inclusion in the labour force. Section 4.1.1.b of the Annex lists the tabular information to be collected according to the status of the working age population (economically active [employed plus unemployed]), economically inactive (according to type of inactivity). These

benchmark figures will not be available until 2012 (in the case of the 2011 LFS) and in 2013 (for the 2011 population census results). Other tables in this section of the Annex indicate characteristics of one of the main forms of economic inactivity, (fulltime) students.

#### c. Labour Force (Economically Active Population) 2011

The labour force represents the supply of labour in the labour market, including all those already employed and those unemployed and seeking employment. The tables included under section 4.1.1.c will provide details of the characteristics of the labour force, including gender, age, and highest level of education completed. Provision of such data from both the 2011 population census and the 2011 labour force survey will afford LMIS analysts the possibility of comparing figures from the two sources.

#### d. Estimated Flows Into and Out of Labour Force 2011

These estimates will require flow analysis by the LMIS of student enrollments, grade by grade, comparing the 2009-2010 and 2010-2011 years, and application of estimated labour force participation rates against each cohort of school leavers. For those leaving the labour force, estimates will be made based on age structure of the labour force and any other sources of information. Tabular data to be collected as required for such calculations and tables to be constructed by the LMIS team covering such flows are included under section 4.1.1.d of the Annex.

#### e. International Flows of Kosovar Tertiary-Level Students 2011

Although small in number, young Kosovars who are proceeding overseas to pursue university-level studies (including for postgraduate degrees) and those returning to Kosovo following their overseas studies at such levels are an important component of the potential labour force in higher-level occupations. Particular departments of the MEST collect data on such movements, including for the purpose of certifying degrees obtained. Section 4.1.1.e of the Annex indicates what type of data should be collected on these movements from the MEST and in what tabular form.

### 4.1.2. Labour Force Updates and Projections

Labour force LMI as covered by the annual labour force surveys of the SOK will be updated for 2012 and subsequent years following the mounting of surveys for those years, with data provided according to the tabulations for the 2011 benchmark year noted in the Annex. Estimates of the flows into and out of the the labour force for 2012 and subsequent years will also be made based on MEST enrollment data and student flow analysis of the LMIS followed by application of estimated labour force participation rates for each cohort, as done for the 2011 year (Tables 4-6 of 4.1.1.d in the Annex). Similarly, estimates of university-educated youth entering the labour force for the 2012 and subsequent years will also be made, based on LMIS flow analysis of MEST data (as in Tables 10-12 of 4.1.1.d for the 2011 year), as well as flows into and out of the country of Kosovars with tertiary level credentials for those years (as in Tables 1-6 of 4.1.1.e for 2011)



## **4.2. Third Main Section: Labour Demand**

Labour demand is comprised of the numbers of positions that are occupied by persons who are employed at a point in time (employees, employers, self-employed persons, unpaid family workers) plus the (relatively few) numbers of positions of employers (both public and private) that are vacant (unfilled labour demand).

### **4.2.1. Benchmark Employment Data 2011**

No comprehensive benchmark data on the employment component of labour demand will be available for the LMIS until the release of the results of the 2011 labour force survey (in 2012) and the 2011 population census (in 2013). Such data will provide breakdowns of total employment according to status in employment, private vs. public sector breakdowns of employment, distribution of employment by economic activity, occupational distribution, and distribution according to conditions of work (part-time and temporary work). Cross tabulations of these characteristics will be of critical importance for labour market analysis. This employment data is presented in the tables of section 4.2.1 of the Labour Demand part of the Annex, differentiating between that generated by the census and that of the labour force survey to allow comparisons to be made between the results of the two sources.

### **4.2.2. Fragmentary Employment Data 2010 and 2011**

Data covering parts of the employed workforce in 2011 is available from various government administrative sources (derived from taxation and pension fund records, civil service employment), while for 2010 the AKB 2010 survey of its membership covers part of private formal sector employment represented by its member companies. There is no fragmentary data covering the so-called “grey economy” or of self-employed persons (including in the “grey economy”). Tabular presentation of such data is included in Section 4.2.2 of the Labour Demand part of the Annex, with separate subsections for public sector employment derived from Ministry of Public Administration records and formal private sector employment (from the AKB survey plus dated data from SOK enterprise surveys, in expectation of results for the 2011 year).

### **4.2.3. Employer Vacancies**

There are no data available at present that comprehensively cover labour vacancies at points in time in particular occupations. The Public Employment Service registers any vacancies (voluntarily) reported to it, but they only partially reflect the situation of this component of labour demand and may not be representative. For the public sector, the Ministry of Public Administration records vacancies of the Civil Service over a year, while to date only the AKB has attempted to survey the extent of vacancies in the private sector covering its membership. This fragmentary data should be collected according to the tabular presentations of Section 4.2.3 of the Labour Demand part of the Annex.

### **4.2.4. Employment and Vacancies Updates, From 2012**

Fragmentary data derived from the sources indicated in Sections 4.2.2 and 4.2.3 above should be updated to cover 2012 and following years, as indicated in the Section 4.2.4 of the Labour Demand part of the Annex.

#### 4.2.5. Employment Projections

The LMIS should include tables for any projections made by the Ministry of Finance (or other bodies) on total employment forecast to be generated for Kosovo's economy. Similarly, as regards public sector employees, data covering one year projections of civil service hiring (due to new positions created and filling of vacated existing positions) by sector should also be included in the LMIS, using Tables 1-4 of Section 4.2.2.b of the Labour Demand part of the Annex as the models. For projections of formal private sector employment, tables should cover expected new hiring (new positions plus filling of vacated positions) by ISIC (NACE) and two digit ISCO as reported by member companies of AKB and KCC in any surveys the AKB and KCC carry out.

### 4.3. Fourth Main Section: Labour Supply and Demand Imbalances

When labour supply intersects with labour demand, imbalances arise. At the *macro* level, a labour surplus develops when the total number of persons seeking (and those already in) employment exceeds the total number of job possibilities for them in the economy (including in self employment), resulting in unemployment for the surplus. At the *micro* (occupational) level, surpluses develop when too many candidates for positions in particular occupations chase too few jobs in the occupation. By the same token, when applicants for positions in a particular occupation lack the required qualifications employers want for the vacancies in such an occupation, labour *shortages* arise.

#### 4.3.1. Labour Surpluses

At present there are no reliable data on the extent of labour surpluses in Kosovo at the macro level of the economy. Only with the release of the results of the 2011 population census and the 2011 labour force survey will comprehensive numbers – in the form unemployed persons – become available as benchmark data. Similarly, there are no data indicating the extent of excess numbers seeking employment in particular occupations.

##### a. Benchmark Data from Surveys

The extent and characteristics of unemployment for the benchmark year 2011 will become known when the results of the population census and labour force survey for that year are released. Such data should be tabulated by the SOK according to the formats of Tables 1-30 shown in the Supply Demand Imbalance section 4.3.1.a of the Annex.

b. Benchmark Data (and updates) from Public Employment Service

The Department of Labour and Employment of the MLSW provides monthly data on the numbers of unemployed registered at its Public Employment Service by age group and gender, as well as by skill/educational level and region/ municipality. Such data are tabulated in Tables 1-9 of the Supply Demand Imbalance section 4.3.1.b of the Annex. For the reasons noted earlier, these figures do not provide an accurate position of the actual numbers of the unemployed.

c. Projections

No projections are made by anybody on the numbers of unemployed that can be expected in either the short or medium term. However, by comparing the numbers of persons projected to be entering the labour force (in the Labour Supply Module above) with the numbers of “formal sector” jobs projected to be made available by public and private sector employers (including as vacated by incumbents) (in the Labour Demand Module above), an approximation can be made of the number of new labour force entrants surplus to the number of new jobs being created at various points in time. (See Table 1 of 4.3.1.c of the Annex for the format of such estimates to be made by the LMIS Unit). Many such surplus job-seekers will, of course, take up jobs in the informal sector of the economy rather than remain openly unemployed.

4.3.2. Labour Shortages

There are no data available at present that would comprehensively indicate shortages of labour (in the form of unfilled vacancies of employers) in particular occupations, nor project expected labour shortages. A 2011 Job Fair held in Prishtina indicated the inability of the 37 employers participating in the fair to fill *any* of the 80 vacancies with the job-seeking applicants at the fair due to the mismatch of their qualifications with the education the employers wanted for the positions.

#### **4.4.Fifth Main Section: Operation of the Labour Market**

It is through the operation of the labour market that the supply of labour is allocated to the demand for it by employers. In addition to the *free market* forces allocating labour – via wage/salary rates and other incentives – the government and other bodies *intervene* in the operation to promote better matching between supply and demand in order to overcome imbalances (due to mismatches) at the micro (occupational) level.

4.4.1 Wage/Salary Rates

At present no data or information on the level of wages/salaries according to occupation is being collected in either the public or the private sectors and for that reason it is not possible to show changes in such rates over time. In view of the importance of such LMI for enhancing labour market analysis and resultant evidence-based policy decision, first steps in collecting such data and including it in the LMIS should be taken.

#### a. Public Sector

The Ministry of Public Administration maintains a schedule on the level and range of salaries paid by government for each position in the civil service. Such data should be collected from the MPA and tabulated as shown in Table 1 of 4.4.1 of the Labour Market Operation section of the Annex.

#### b. Private Sector

In the 2010 AKB survey of labour market demand, data is provided on the wage/salary levels of the workforce of its member companies, but not by occupation, as required for any labour market analysis. It is recommended that future AKB surveys of labour market demand include a question on the wage/salary of the occupation identified in the survey and that any Chamber of Commerce surveys do likewise.

### 4.4.2 Interventions to Facilitate Job Placement

Most job openings in Kosovo are filled informally through the intervention of relatives or friends, as noted in the 2010 AKB survey of labour market demand in the formal private sector. (See Table 1 of Labour Market Operation section 4.4.2 in the Annex for the results of the AKB survey). In view of the importance of knowing if there is a shift towards more formal means of filling positions in the private sector, it is recommended that the AKB continue to include this table in its future surveys. Placement operations of the Public Employment Service – the most important function of the PES – should be tabulated for the LMIS as shown in Tables 2-4 of 4.4.2.

Career fairs also serve as a means of job placement. Various organizations-- including the MLSW and the Career Development Centre of the University of Prishtina --sponsor career/job fairs where job-seekers can meet employers and apply to fill their vacant positions. Data on the number of job-seekers and employers participating and on the results of such interaction in terms of placements should be collected and included in the LMIS according to sponsoring organization.

### 4.4.3. Careers Guidance of Youth

Provision of career guidance is made to students in upper secondary school and at universities (the potential labour force) and to those who are already in the labour force, but are unemployed or seeking to switch jobs. Tabular information on numbers benefiting from such services should be collected according to Tables 1-3 of Labour Market Operation section 4.4.3 of the Annex.

### 4.4.4. Facilitating School Leaver Transition to the Labour Market

Studies indicate that the process of transitioning from school to the labour market is a long and difficult process for school leavers. Preparation of university students for entry into the labour market is a major function of the University of Prishtina's Career Development Center (CDC). Numbers

benefiting from the different programmes of the CDC should be captured according to the format of Tables 1-3 of the Labour Market Operation Section 4.4.4 of the Annex.

#### 4.4.5. Provision of Additional Training and Qualifications Testing to Overcome Skill Mismatches

An active labour markets policy for youth seeks to provide unemployed school leavers with additional training to meet the skill requirements of employers as well as to provide testing and accreditation of vocational training students to certify their qualifications. Numbers participating in such training in MLSW vocational training centers and numbers gaining certification of qualifications should be collected and tabulated according to Tables 1-5 of Labour Market Operation Section 4.4.5 of the Annex.

As additional programmes of vocational training are introduced – such as under the proposed training academies of the Chamber of Commerce – data on attendees, graduates, and placement should be collected and presented as in the Annex, as should updates on existing programmes included in Tables 1-5.

#### 4.4.6. Monitoring of Training/Education Outcomes in the Labour Market

To date, no tracer studies have been mounted that would track the employment fate of school-, vocational training center-, or university- leavers in the labour market. Such studies are essential for analyzing the “external efficiency” of such skill-generating institutions.

The Career Development Center of the University of Prishtina is conducting in 2011 such a tracer study for the graduates of the University since 1999, beginning with those from three faculties of the University. Data on the findings of this study should be included in the LMIS under this module according to the format proposed in Tables 1-3 of Labour Market Operation Section 4.4.6 in the Annex.

#### 4.4.7. Provision of Government Public Works Programs for Employment of Unemployed Persons

Additional employment opportunities – albeit of temporary duration – can be generated as an intervention in the labour market by government to help overcome unemployment. The implementation of such programs in Kosovo is a responsibility of the MLSW, which should provide data on numbers gaining such employment according to the format of Table 1 of Labour Market Operation Section 4.4.7 in the Annex.

#### 4.4.8. Government Interventions to Reduce the Supply of Labour

In a situation of greatly excessive supply of labour vis-à-vis employment opportunities, one means by which to reduce the imbalance is to promote temporary migration of job-seekers to other countries. In this connection, the MLSW, in cooperation with the Ministry of Foreign Affairs, the Chamber of

Commerce, and Municipalities, is reaching agreements with EU and other countries to provide for employment of qualified job-seekers abroad. The results of operation of this program should be including in the LMIS according to the format of Tables 1-3 in Labour Market Operation Section 4.4.8 of the Annex.

#### **4.5. Sixth Main Section: On-Line Job Vacancies and Training Opportunities**

Unlike the others, this module would support the operation of an on-line employment marketplace, rather than just serve as a source of labour market information. At present, the Department of Labour and Employment of the MLSW is examining the operation of Ireland's Training and Employment Authority FAS under which jobseekers and employers post their curriculum vitae and vacancies, respectively, on the FAS website and interact on-line. Training providers also post their courses on the website to facilitate those seeking additional training to gain qualifications to enroll in courses offered.

This module would serve to put job-seekers, employers, and training providers in Kosovo with the hyperlink to the MLSW website offering such employment and training marketplace services. Data on the operation of the services of the website would be provided to the LMIS under this module in order to monitor the results.

### **5. Dissemination of Data and Information of the LMIS**

It is proposed that dissemination of the LMI provided under the LMIS be equally to all persons – government officials as well as the public at large -- wishing to access the system. For this purpose, a website – [www. LMIS-Kosovo.gov](http://www.LMIS-Kosovo.gov) – would be set up and structured as indicated in Part C of this report. The single portal would provide direct access to the key elements of the LMIS ( the Home page, Introduction to the LMIS, and the main divisions/modules as identified in the structure) and allow easy navigation to the subdivisions at the second level for accessing the type of LMI sought by the user. Hyperlinks to other websites would be included to allow the user to access related data and information from various sources.

The website should be user-friendly and be available in three languages: Albanian, Serbian, and English.

## Annex

### Tabular Data to be collected for LMIS

#### **4.1. LABOUR SUPPLY**

##### **1. Benchmark Data 2011**

Table	Description	Producer
<b>a. Potential Labour Force</b>		
1-3	Total population of Kosovo 2011 according to age and gender (males, females, total)	SOK, 2011 Population census
4-6	Total population of Kosovo 2011 according to age and gender (males, females, total)	SOK, 2011 Labour Force Survey.
<b>b. Working Age Population by Status</b>		
1-3	Working Age Population According to Age and Economic Activity Status, (males, females, total), 2011 Population Census. (Status breakdowns: economically active (employed plus unemployed), economically inactive (according to reason: students, home makers, disabled, retired, military service, prisoner, other, total, as per Question 27)	SOK
4-6	Working Age Population According to Age and Economic Activity Status (males, females, total), 2011 Labour Force Survey. (Status breakdowns: economically active, economically inactive, total, with percentages)	SOK
7-9	Population Attending School/University by Age and Level of School Attended (Question 20), (males, females, total), 2011 Population Census.	SOK
10	Student Enrollments by Grade, Gymnasium vs Vocational Classes, and Gender, 2010-2011 School Year	MEST
11	University of Prishtina Enrollments 2010-2011 Year by Faculty and Gender.	Career Development Center, University of Prishtina.
12-14	“Other” Inactive Working Age Population (Q 27:11) according to age and explanation ( Q 41, first box) ) (males, females, total), 2011 Population Census	SOK
<b>c. Labour Force (Economically Active Population)</b>		
1-3	Economically Active Population by Age and Employment Status (employed, Q24, unemployed	SOK

	Q27, 1+2), total) (males, females, total), 2011 Population Census.	
4-6	Economically Active Population by Age and Employment Status ( employed, unemployed, total) (males, females, total), 2011 Labour Force Survey	SOK
7-9	Economically Active Population by Age and Highest Level of Education ( Q21) (males, females, total), 2011 Population Census.	SOK
10-12	Economically Active Population by Age and Highest Level of Education ( less than upper secondary, upper secondary, tertiary) (males, females, total), 2011 Labour Force Survey.	SOK
<b>d. Estimated Flows Into and Out of Labour Force During 2011</b>		
1-3	School Leavers by Level of Education 2010/2011 Year by Reason for Leaving ( dropouts, graduates, total) (males, females, total)	LMIS using enrollment data of MEST.
4-6	Estimated (Gross) New Labour Force Entrants (school leavers by level of education and estimated labour force participation rate), 2011 (males, females, total).	LMIS
7 -9	Non-Continuing University Students by Faculty and Year of Study, University of Prishtina, 2010-2011 Year (males, females, total).	University of Prishtina via SOK.
10	Estimated New Labour Force Entrants 2011 with University-Level Education (drop outs, graduates) by Faculty and Year of Study, University of Prishtina, 2011 (males, females, total).	LMIS, applying labour force participation rates against figures of Tables 7-9.
13	Ditto for other estimated labour force entrants with education gained at other public and private universities in Kosovo	LMIS
14-16	Estimated Number of Persons Leaving the Labour Force by Age and Reason for Leaving, 2011 (males, females, total).	LMIS based on age distribution of the labour force and other sources of information.
17	Estimated Net Change in the Size of the Labour Force 2011 by Inflow vs Outflow and Gender.	LMIS, based on previous estimates of inflows and outflows
<b>e. International Flows of Kosovar Tertiary-Level Students During 2011</b>		
1-3	Numbers of Tertiary Level Kosovar Students by Level of Tertiary Studies Completed Leaving for Studies Abroad by Subject of Study, 2011 (males, females, total).	MEST
4-6	Numbers of Tertiary Level Kosovar Students Returning from Abroad by Qualification Gained and Subject, 2011 (males, females, total)	Producer: MEST (certification department).



## **4.2. LABOUR DEMAND**

### ***1. Benchmark Employment Data 2011***

Table	Description	Producer
1-3	Distribution of Employment by Age and Employment Status ( Q 30: employees, employers, self-employed, unpaid family worker, total), (males, females, total), 2011 Population Census	SOK
4-6	Distribution of Employment by Age and “Professional Status” ( employee, employer, self employed, unpaid family worker, total), (males, females, total), 2011 Labour Force Survey	SOK
7 -9	Distribution of Employees by Public vs. Private Employer (Q 32) and Two Digit ISIC (NACE) ( Q 34), (males, females, total), 2011 Population Census	SOK
10 -12	Distribution of Employment by Employment Status (Q 30) and Two Digit ISIC (NACE) (Q 34), (males, females, total), 2011 Population Census	SOK
11-13	Distribution of Employment by “Professional Status” and One Digit ISIC (NACE) (males, females, total) 2011 Labour Force Survey.	SOK
14-16	Distribution of Employment by Employment Status (Q 30) and Two Digit ISCO (Q 31) (males, females, total), 2011 Population Census	SOK
17-19	Distribution of Employment by “Professional Status” and One Digit ISCO (males, females, total), 2011 Labour Force Survey.	SOK
20 -22	Distribution of Employment by Two Digit ISIC (NACE) (Q 34) and Two Digit ISCO ( Q 31) (males, females, total) 2011 Population Census	SOK
23-25	Distribution of Employment by One Digit ISIC (NACE) and One Digit ISCO (males, females, total), 2011 Labour Force Survey	SOK
26-28	Distribution of Employment by Employment Status ( Q 30) and Hours Worked ( Q 28) (males, females, total), 2011 Population Census	SOK
29-31	Distribution of Employment by “Professional Status” and Usual Working Hours (males, females, total), 2011 Labour Force Survey.	SOK
32- 34	Distribution of Employment by Employment Status ( Q 30) and Place of Work (Q 33) (males, females, total), 2011 Population Census.	SOK
35- 37	Distribution of Employees by Conditions of Work (part time, temporary, total) and One Digit ISIC (males, females, total), 2011 Labour Force Survey.	SOK

## 2. Fragmentary Employment Data 2010 and 2011

Table	Description	Producer
<b>a. Government and Private Sector Formal Employment</b>		
1-3	Membership in Pension Fund by Age and One-Digit ISIC (NACE), 2011 (males, females, total).	Kosovo Pension and Savings Trust (KPST).
4-6	Membership in Pension Fund by Age and Public vs Private Employment, 2011 (males, females, total).	Producer: KPST.
7	Income Tax Payers by Employment Status (employee, self-employed, total) and Public vs Private Sector Employment, 2011.	Tax Administration of Kosovo (TAK).
8-10	Membership in Pension Fund by One Digit ISIC (NACE) and Employment Status ( employee, employer, self employed, total) (males, females, total).	KPST.
11-13	Flows of Members Into and Out of Pension Fund 2011 Year by Age and One Digit ISIC (NACE) (males, females, total).	KPST.
<b>b. Public Sector Employment</b>		
1	Civil Service Employment by Year (2008, 2009, 2010, 2011) and Sector (General Service, Public Order & Security, Education, Health, Economy, Recreation and Culture, Housing, Environment, Total).	Division of Payroll and Payment Administration, Ministry of Public Administration, via MLSW.
2-4	Civil Service Employment by Age and Two Digit ISIC (NACE), 2011 (males, females, total), 2011.	Department of Civil Service, Ministry of Public Administration.
<b>c. Formal Private Sector Employment</b>		
1	Number of New and Closed Enterprises for each Quarter 2005-2011	SOK
2	Distribution of New Enterprises by Economic Sector (NACE) and Size ( Number of Employees) of Enterprise, First Quarter 2011	SOK
3	Distribution of Employees by Number of Enterprises and Economic Activity (NACE) 2005.	SOK, Structural Business Survey 2005, Tables 1 and 2.
4	Distribution of Employees by Economic Activity (NACE) and Size (Number of Employees) of Enterprise, 2005.	SOK, Statistical Repertoire of Enterprises 2004-2008, Table 77, via Tax Administration Kosovo (TAK)
5	Distribution of Employees by Economic Activity (NACE) and Size (Number of Employees) of Enterprise, 2006.	SOK, Repertoire 2004-2008, Table 79, via TAK
6	Distribution of Employees by Economic Activity and Size (Number of Employees) of Enterprise, 2007	SOK, Repertoire 2004-2008, Table 81, via TAK.
7	Employment in Interviewed AKB Member Companies	AKB, 2010 survey.

	by Two-Digit ISIC (NACE) and Two Digit ISCO, 2010 Survey.	
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### 3. Employer Vacancies

Table	Description	Producer
1	Cumulative Vacancies Registered with the Public Employment Service by Skill Level Needed and Region/Municipality, March 2010-February 2011.	Department of Labour and Employment, MLSW.
2	Cumulative Civil Service Vacancies by Type of Position, Year 2011.	Ministry of Public Administration.
3	Job Vacancies of AKB Member Companies by Two Digit Occupation (NACE) and Two Digit ISIC, July 2010 Survey of Labour Market Demand.	Alliance of Kosovar Businesses (See its Survey of Labour Market Demand)

### 4. Employment Updates as From 2012

Table	Description	Producer
<b>a. Government and Private Sector Formal Employment</b>		
	Repeat Tables 1-13 of B.2.a. above with KPST and TKA data for 2012 and subsequent years.	
<b>b. Public Sector Employment</b>		
	Repeat Tables 1-4 of B.2.b above with MPA data for 2012 and subsequent years.	
<b>c. Formal Private Sector Employment</b>		
	Repeat B.2.b tables with data for 2012 and subsequent years from SOK data derived from TAK sources. Collect data according to format of Table 7 of B.2.c above from any new surveys of AKB. In addition, prepare tables for any data collected according to format of Table 7 from any future surveys to be carried out by the Kosovo Chamber of Commerce	
<b>d. Vacancies</b>		
	With Tables 1-3 of C above as the models, prepare tables for employer vacancies of the public and modern private sector from 2012 as based on data provided by the DLE of the MLSW for registered vacancies, the Ministry of Public Administration for civil service vacancies, and representatives of the private sector (Chamber of Commerce, AKB) for modern sector vacancies based on data collected in any new surveys they will have carried out.	

## 5. Employment Projections

<b>a. Government and Private Sector Employment</b>		
	Prepare tables for any projections made by the Macroeconomic Unit, Ministry of Finance (or other bodies) of total employment forecast to be generated by Kosovo's economy.	
<b>b. Public Sector Employment</b>		
	Prepare tables for one-year projections of civil service hiring (due to new positions created plus filling of vacated existing positions) by economic sector, according to format of Tables 1-4 of B.2.b above. Producer: Ministry of Public Administration.	
<b>c. Formal Private Sector Employment</b>		
	Prepare tables of projections of expected new hiring (new positions plus filling of vacated positions) by member companies of AKB according to ISIC (NACE) and two digit ISCO as based on future surveys of AKB. Do same for member companies of the Kosovo Chamber of Commerce from data derived from any future surveys.	

### 4.3. LABOUR SUPPLY AND DEMAND IMBALANCES

#### 1. Labour Surpluses

Table	Description	Producer
<b>a. Benchmark Data from Surveys</b>		
1-3	Distribution of Unemployment (Q 27, 1+2)vs. Labour Force ( Q 25,1 plus Q27, 1+2) by Percentage and Age (males, females, total), 2011 Population Census .	SOK
4-6	Distribution of Unemployment vs. Labour Force by Percentage and Age (males, females, total), 2011 Labour Force Survey.	SOK.
7-9	Distribution of Youth Unemployment ( Age 15-24) vs. Labour Force Aged 15-24 by Percentage and Municipality (males, females, total), 2011 Population Census.	SOK
10-12	Distribution of Unemployment by Age and Level of Education (Q 21) (males, females, total), 2011 Population Census	SOK
13-15	Distribution of Unemployment by Age and Level of	SOK

	Education ( less than upper secondary, upper secondary, tertiary, total) (males, females, total), 2011 Labour Force Survey	
16-18	Distribution of Unemployment by Age and Previous Employment ( Q 27.1, never worked before, Q 27.2, worked before) (males, females, total), 2011 Population Census	SOK
19-21	Distribution of Unemployment by Age and Previous Employment ( never worked before, worked before, total) (males, females, total), 2011 Labour Force Survey.	SOK
22-24	Distribution of Unemployment by Age and Duration of Unemployment ( less than 6 mos., 6-11 mos., 12+ mos., total) (males, females, total), 2011 Labour Force Survey.	SOK
25-27	Distribution of Unemployment by Method of Search and Duration of Unemployment (males, females, total), 2011 Labour Force Survey.	SOK
28-30	Distribution of Unemployment by Age and Whether Actively Seeking Work Past 4 week ( Q 35, 1) or Not ( Q 35, 2) (males, females, total), 2011 Population Census	SOK
<b>b. Benchmark Data and Updates from Public Employment Service</b>		
1-3	Distribution of Registered Unemployed by Age and Skill/Educational Level ( unskilled, semi-skilled, lower secondary school, upper secondary school, university, total) (males, females, total), February 2011.	Source: Department of Labour and Employment (DLE), MLSW.
4-6	Distribution of Registered Unemployed by Age and Region/Municipality (males, females, total), February 2011.	Source: DLE, MLSW
7-9	Distribution of Registered Unemployed Aged 15-24 Years by Region/Municipality and Skill/Educational Level (males, females, total), February 2011.	Source: DLE, MLSW
<i>Note:</i> data provided in tables as above should be updated for the LMIS on a regular basis ( quarterly?) and included here.		
<b>c. Projections</b>		
1	Estimated New Labour Force Entrants by Level of Education vs. New Positions Projected in the Public and Modern Private Sector and Resultant Imbalances, 2012.	LMIS Unit, based on analysis of supply and demand projections

#### 4.4. OPERATION OF THE LABOUR MARKET

##### 1. Wage and Salary Rates

Table	Description	Producer
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1	Civil Service Salary Rates by Positions and Steps, 2011.	Payroll Department, Ministry of Public Administration
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## ***2. Interventions to Facilitate Job Placement***

Table	Description	Producer
1	Methods Used to Fill Vacancies by AKB Member Countries According to Means and Main and Secondary Methods, 2010.	AKB, Survey on Labour Market Demands, Table 9.
2-4	Public Employment Service Placements of Registered Job-Seekers by Age Group and Skill/Educational Level, March 2010-February 2011 ( males, females, total).	Producer: Department of Labour and Employment, MLSW.

## ***3. Careers Guidance of Youth***

Table	Description	Producer
1	Number of Upper Secondary School Students Provided Careers Guidance by Type of School and Gender, 2010-2011 School Year	Producer: MEST
2	Number of University of Prishtina Students Provided Career Guidance by Faculty and Gender, 2010-2011 Academic Year.	Career Guidance Centre, University of Prishtina
3	Number of Registrants at Public Employment Service Centres Counseled on Career Choice by Status ( Unemployed or Seeking Job Change) and Gender, 2011 Year	Department of Labour and Employment, MLSW

## ***4. Facilitating Transition to the Labour Market***

Table	Description	Producer
1-3	Number of University of Prishtina Students Benefiting from CDC Programs for Transitioning to the Labour Market, 2011 by Type of Program (males, females, total), 2011.	CDC, University of Prishtina

## ***5. Provision of Additional Training and Qualifications Testing to Overcome Skill Mismatches***

Table	Description	Producer
1-3	Number of Registered Job Seekers of PES by Participation in and Graduation from MLSW Vocational Training Centers and by Region (males, females, total), 2011.	DLE, MLSW.
4	Number of Participants Receiving Vocational Training	UNDP-ALMP.

	in UNDP-ALMP Programmes vs. Numbers Placed and by Gender, 2011	
5	Number of Vocational Training Center Students Gaining Accreditation under National Qualifications Framework by Gender and Field of Training, 2012.	National Qualifications Authority.

#### **6. Monitoring of Training/Education Outcomes in the Labour Market**

Table	Description	Producer
1-3	Graduates of the University of Prishtina by Faculty, Employment Status, and Relevance of Education Received, (males, females, total) 2011 Tracer Study	Career Guidance Center, University of Prishtina.

#### **7. Provision of Government Public Works Programmes for Employment of Unemployed Persons**

Table	Description	Producer
1	Number of Unemployed PES Registrants Provided Employment in Public Works Programmes by Gender and Region, 2012	MLSW

#### **8. Government Interventions to Reduce the Supply of Labour**

Table	Description	Producer
1-3	Numbers of Temporary Emigrants under Bilateral Agreements to Provide Employment According to Receiving Country, Sending Region/Municipality, and Education/Skill Level, 2012.	

