



INTERNSHIP PROGRAMME

-Report on Kosovo^{} -*

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^{*} This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence

I. BACKGROUND

Kosovo* faces the highest unemployment rate among the countries of the Western Balkan. Even more concerning is the long-term unemployment which is 22% of the labour force. However, in 2018 there are positive developments on the job creation activities in Kosovo*. The job growth measures and activities of the government have experienced the highest growth (9.2%) compared to the economies of the region. It is to be noted that the job growth is mainly driven by the growth in the construction, health, and manufacturing sectors.

Another positive aspect of Kosovo*'s labour market and the employment policies are the self-employment and entrepreneurial activities. Kosovo* has among the highest percentage per capita.

But, despite promising labour market developments, a key challenge for Kosovo* are the low activity rates (particularly among women), a large share of long-term unemployment and a high degree of informality. Moreover, it is concerning that the economy has the highest percentages (30%) of the youth population, which is not in employment, or education nor training (NEET).

Additionally, it is concerning that the labour market in Kosovo* is male dominated and there is a high percentage of immigration among young people. Men represent about 79 percent of total employment in Kosovo*, which is the highest percentage among all of the Western Balkan economies.

However, the key challenge is the high percentage of immigration of young Kosovars. An economy that is based on its human resources and population as the driving force of economic growth, should focus on creating employment programs to keep the young people at home. Immigration among young population is concerning for all of the countries and Kosovo* is not an exception nevertheless, this percentage is still not at its peak but only because of the current visa regime the country has with the European Union. Once this regime is lifted, many young Kosovars are ready to leave the country. In a recent survey conducted by USAID with young people, it resulted that if given a chance large majority of them would emigrate. This would be even more concerning when Kosovo* signs the visa liberalization with the EU. Out of young Kosovars that have already emigrated, the majority has higher levels of education on average than the resident population. This is even more alarming if the base of economic growth is on the skills and competencies of young people, as the main asset of the economy.

II. INTERNSHIP PROGRAMS

In Kosovo* currently the following practice schemes are implemented: on-the-job practice scheme, practical work and volunteering.

The on-the-job practice scheme is implemented by the Ministry of Labour and Social Welfare and Employment Agency, while the practical work from the Ministry of

Education, Science and Technology and the volunteering is implemented by the Ministry of Culture, Youth and Sports.

At present, the drafting of the new Labour Law, aims to recognize volunteering and on-the-job practice as internships, so that it could increase the employment opportunities of young people that are in the process of studying but have no work experience.

The main difference between on-the-job practice and practical work according to the current practices in Kosovo* is the target group the activities are aimed at. The on-the-job practice is designed to support the participants that have graduated within the past 12 months, whereas practical work is aimed at the participants with no degree or qualification. The on-the-job practice intends to provide opportunities to participants to implement the knowledge gained from the education institutions within their field of studies. On the other hand practical work (puna praktike) is provided mainly to participants without completed formal education or vocational training, so that through practical work in the private sector companies they would obtain skill sets and competencies to practice a particular occupation or profession at the end of the process.

The on-the job practice and the practical work programmes are implemented on the national level without being focused on particular region or locality in Kosovo*.

The internship culture in Kosovo* is developing however, as an activity it has just started recently but, it is receiving considerable support by the international donor community projects which are very active.

III. LEGAL REGULATION OF INTERNSHIPS AND PRACTICAL TRAINING

It should be mentioned that the new labour law is in the process of being drafted including the article which will specifically regulate practical work, internships and other on the job practices.

However, the current law focuses on the following aspects:

- The law clearly defines and prohibits all forms of discrimination such as discrimination based on the profession, selective trainings, work conditions , discrimination against any form of disability of the candidate, or any unfair advantage given to certain individual or group of people,
- The provider of internship must provide secure environment and insurance coverage for interns against potential damage of interns at the workplace
- The law allows the employer to decide whether they want to pay for the interns and to register the intern under the not-paid internships in their records,
- The contract that regulates the internship under this law is defined by the collective contract and internal procedures of the company which defines also the period of the internship and skills obtained,

The positive measure in the law is that it's not restricting the age of the intern. The law does not have any restrictions on companies which can engage in internships which is good because sometimes unemployed that have left the education earlier, can volunteer for doing an internship in companies, thus increasing their employability, skills and opportunities.

Another positive feature of the law is that it does require that the employer nominate a career mentor from its full time staff to supervise the work of the intern during the entire process of the internship. The company must appoint a worker among its full-time employees to mentor candidates engaged in practical work or internship in the company.

The Labour Law allows the interns to be compensated for their work however, it allows free of charge internships as well. The greatest interest of participants is taking part in the paid practice scheme, which covers the expenses of food and travel of candidates participating in the practice scheme.

In addition to the law, there is a regulation on active labour market programs. This year a new regulation on active labour market programs has been prepared and approved by the Ministry of Labour and Social Welfare.

The regulation on active labour market programs defines the measure, regulates the implementation procedure and the compensation. This regulation is for operational schedules for the implementation of the on the job training practice and practical work. The manual encourages both the private sector and the non-governmental organizations to be part of the scheme and recruit interested candidates. The manual describes explicitly the working conditions of the practitioners, the job requirements and the contractual obligation between parties. Even though the manual describes the contractual obligation of parties, the law does not obligate that the trainee and the employer enter into a contract. This is optional; however the law states that the trainee and the employer may enter into a work contract in case both sides agree.

On the other side, the rules and regulation of active labour market programs obligate the trainee and the employer to enter into an agreement on engagement in the scheme in which the Employment Office is the implementer of the program and this is usually done through the mediation of the Employment Office.

It is expected that these manuals will be reviewed in order to be harmonized with the new regulation on active labour market measures.

In terms of the job mediation neither the law nor the manual is forbidding the job mediation companies to operate in the labour market. The MLSW does the licensing of non-public employment service providers, while APRK monitors their functioning. So far, a certain number of non-public service providers are licensed to provide employment services.

IV. INSTITUTIONAL FRAMEWORK FOR INTERNSHIPS

- There is no tracked number of internship placements.
- The following Ministries are regulating the internship placements:
 - *Ministry of Labour and Social Welfare / KESA for those who are unemployed and jobseekers,*
 - *Ministry for Culture, Youth and Sport for unemployed youth.*
 - *Ministry of Education, Science and Technology for students and students.*
 - *Ministry of Innovation and Entrepreneurship.*
 - *Non-public employment service providers.*

Even though there are several institutions responsible for the internship process there is no body that coordinates activities of all institutions in this domain.

In addition to the institutions, Kosovo* has a considerable number of job mediators that are offering internships and other forms of on the job practices experiences for interested candidates. Usually these providers, i.e. the intermediaries of the practices have the capacity to do the job mediation but their visibility in the market is still very low so, a considerable effort must be made to improve the communication with both, candidates and the companies interested in internships. Additionally, they need to conduct a market research in order to have more qualitative information and data on the types of internships the candidates are interested, which are the sectors with biggest absorption capacities, the types of job profiles the private sector is looking for and which qualification, skills and competencies are needed by the national economy.

V. STRENGTHS AND WEAKNESSES OF THE PROGRAM

5.1 Positive aspects of the program

There are several positive aspects from the revision of internship programs in Kosovo however, the main ones are the following:

- **The operational manual.** The operational manual developed by the Ministry of Labour and Social Welfare and approved by the Kosovo* government is describing very well the training requirements, the internship process and the financial compensation scheme. I believe that this scheme, with some improvements, could be used by other countries as well.
- **Mentors supervise the work of interns.** A positive aspect of the internships in Kosovo* is that the internships are monitored and supervised by the full-time staff of the company. The more experienced employees of the companies guide the interns through the working process by transferring the know-how to the interns. This process, based on the assessment, improves the employability skills of interns and employability opportunities of the candidates in the labour market.
- **Job mediators:** Kosovo* has a big number of private sector companies which are playing the role of intermediators supporting the jobseekers in finding the best

possible internship placements and helping the companies find the best talents available in the market.

5.2 Areas for improvements

Eventhough there are several positive aspects still this programs face challenges which needs to be improved in the future

- **No coordination body for internships.** Eventhough there are several Ministries and institutions implementing internship programs still there is no body at national level that coordinates the activities and the internship process.
- **Individual contract rather than collective.** the current law regulates the internship only under the collective law for employment therefore, the authorities should insist of having the individual contract mechanism in place and not collective ones.
- **Small stipend compared to no pay internships.** The law does not provide suggestions on the financial compensation leaving up to the companies to choose whether they'd want to have free of charge or paid internship. However, the law must provide clear guideline, on the financial scheme and amount to be paid by the private sector or institutions hiring interns so that the candidates that experience cost associated to doing an internship are properly compensated by the provider of the internship
- **The capacities of the intermediaries.** Even though Kosovo has one of the most developed markets of job mediators in the W. Balkans still they lack capacities in offering national based internships and in monitoring of the internship process.
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VI. RECOMMENDATIONS

- **Regulation of internship program:** As it is the case in almost all of the countries of W. Balkans in Kosovo there are several laws in different Ministries (Education, Labor and Economy) that mention or have references to internship but there is no synchronization among these practices. Therefore, there must be a legal mechanism that regulates the internship program in W. Balkans including Albania. If this would be through the by-laws or a special law this is up to the individual country but it must be integrated in the system in order for all of the institutions to respect the new guidelines.
- **Financial compensation of Internship program:** Kosovo is a unique case that leaves up to the provider of internship placement if they would like to provide a financial compensation or stipend to intern compared to other countries where this is subsidized by the government. The recommendation is that it could be used both ways, a certain number to be provided by the government to improve the awareness of the program on the national level and also free flow of internship provided in the open market.

- **Monitoring of internship:** In order not to have any missue of internship program by the private sector providers or companies there must be strict monitoring of the program so there are no missuse of the program. In countries such as Kosovo where a more liberal approach to the economi policies has been implemented there is also a more liberal approach to internship leaving up to the companies to implement their own practices which sometimes could be dangerous of attempting to replace the full time employee with interns.