



Employment and Social Affairs Platform

Peer review workshop on youth employment programmes

Report on Kosovo^{*}

Prepared in May 2018

^{*} 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

KOSOVO*

The youth labour market in Kosovo* is characterized by extremely high youth (15-24) unemployment rates (over 57.7 per cent in 2015, three folds the rate recorded in the European Union) and especially among young women (67.2 per cent). Over half of youth unemployment (55 per cent) is long-term, whilst the share of youth neither in employment nor in education and training is 31.4 per cent (well above the 12 per cent rate recorded in the EU 28).[†] Approximately one-third of workers in Kosovo* are engaged in informal employment, especially young men with low educational attainment and living in rural areas.[‡] The rising number of unemployed youth with university education signals a mismatch between the skills young people acquire and those required by the labour market.

Table 1: Total number of young NEETs, by labour market status (2015, annual data, thousands)

	Total
Total NEETs (15-24)	107,600
Unemployed (LFS), 15-24	39,919
Registered with the PES, 15-24	16,452
Inactive, 15-24	67,681

Source: Labour Force Survey, 2015

1. PES ALMPs and Services Targeting Youth

The PES of Kosovo* does not have a dedicated service line for youth or counsellors that specialize in the delivery of services to young people. There is no established rule on the average time needed to provide a quality response. However, once fully implemented, the new service delivery model is expected to reduce the average response time for the various categories of jobseekers and unemployed registering with the PES.

The Public Employment Service supports unemployed clients through various labour market integration measures. In 2016, the PES referred over 9,500 unemployed (9.4 per cent of the total number of registered unemployed) to labour market measures. The majority of unemployed clients

[†]Kosovo* Agency of Statistics, *Results of the 2015 Kosovo* Labour Force Survey*, Pristina, 2016.

[‡]World Bank, *Kosovo*: Systematic country diagnostics*, World Bank, Washington D.C., 2017.

access (institution-based) vocational training programmes implemented by eight public Vocational Training Centres (VTCs) for about 27 different occupational profiles.[§]

Further education and training

As already mentioned, there is a referral system between the PES and the Ministry of Education for literacy programmes, which provides beneficiaries with a recognised qualification leading to further education or to labour market entry.

The country has a well established system of adult training, provided by eight public VTCs. In 2016, the groups that benefited more from vocational training were individuals with upper secondary degree (about 59 per cent of total participants) and youth aged 15-24 (about 45 per cent of total participants). The duration of institutional training ranges between two weeks (for those with recognised prior learning) and six months. The PES also organizes on-the-job training with partner enterprises. The programme lasts between two and six months and is delivered on the basis of a training plan agreed among the trainee, the PES and the partner firm. The training programme is supervised by the trainers of the VTCs, who are also responsible for verifying the skills acquired. In 2016, most participants were young people (42.3 per cent) and individuals with secondary vocational education (about 48.5 per cent).

As part of the establishment of a National Qualification Framework (NQF), the vocational training centres have initiated the accreditation process at the National Qualifications Agency. So far, seven training programmes have been accredited. The PES is also initiating tracer studies to assess training outcomes and impact on individual employability. Finally, the PES is also introducing skill needs analysis to update training programmes.

Employment and self-employment

Job subsidies (covering 50 per cent of the individual gross salary, but not higher than the minimum wage) are available to long-term unemployed, social assistance beneficiaries, returning migrants, and individuals who have completed a training programme and are still unemployed six months after completion. Subsidies are available to employers for six, nine and twelve months, with an obligation to retain the subsidized workers for at least twice the length of the subsidy. The groups that benefited most from job subsidies in 2016 were individuals with secondary vocational education (about 47 per cent of participants).

The PES also offers self-employment and business start-up measure. In 2016, roughly 54 per cent of participants were graduates from secondary vocational school, but only 16 per cent were young people (15-24). The self-employment programme includes basic business skills training (*StartYour Business*), the preparation of a business plan, a non-refundable grant, mentoring and coaching.

[§] More specifically in eight (8) vocational training centres and six (6) Mobile Training Centres are operated under the umbrella of Ministry of Labour and Social Welfare (MLSW). These Centres have workshops, about 80 full time staff and provide free training courses (classroom and workshops based) in 27 profiles with duration from 1 up to 4 months. Training is offered only to job seekers registered in the PES.

Apprenticeship

There is no dual apprenticeship system in Kosovo*. In formal education, vocational education schools are expected to organize periods of practical learning for their students, but this rarely occurs as the collaboration between schools and businesses is still limited. The PES organizes combined vocational training programmes (with learning delivered partly in a training centre and partly in the premises of an enterprise). In 2016, only about one per cent of total participants to labour market integration measure were engaged in this scheme.

Traineeship

The PES offers traineeship schemes for up to six months targeting graduates of vocational schools, training centres and university graduates. In 2016, 4.5 per cent of total participants to ALMPs were engaged in this programme, mostly youth (44 per cent) and women (67.5 per cent).

2. Activities of other Institutions Promoting Youth Employment

Secondary vocational education and training (VET) schools offers the possibility to individuals to return to formal education or have their learning recognised. These schools provide certified second chance programmes to approximately 2,000 young people and adults annually. Programme duration is shorter compared to that offered for regular students (each grade up to three months, maximum three grades).

The PES has cooperation agreement with various public and non-public service providers. In 2016 and 2017, for instance, the PES cooperated with Youth Centres to jointly implement on-the-job training measures. In addition – although it is not specific for youth – there is a referral system in place between centres of social work and employment offices for social assistance beneficiaries (Category II), whereby an activation strategy applies (job search monitoring and participation in labour market integration measures).** A referral mechanism also exists for low skilled individuals, who are referred by the PES local offices to the *Literacy Programme* managed by the Ministry of Education.

As already mentioned, the PES has cooperation agreements with various stakeholders (Ministry of Youth, Culture and Sports, Youth Centres, Ministry of Trade and Industry and the Kosovo* Investment and Enterprise Support Agency), as well as *ad hoc* agreements for the implementation of on-the-job training (employers' organisation as well as Kosovo* Chamber of Commerce and American Chamber of Commerce).

3. ALMP Evaluation

**This category of beneficiaries include families with only one member able to work, registered as unemployed with the PES and actively looking for work, and with at least one child under the age of five or an orphan under the age of 15.



The MLSW established a performance monitoring framework for the activities of the employment offices. This framework includes process, output and outcome indicators.^{††}The PES Employment Management Information System (EMIS) was upgraded to allow the collection of data and reporting on the targets set annually.

The latest impact evaluation exercise was conducted in 2011 on three programmes (on-the-job training, combined institutional and workplace training, and internships) implemented in the period 2008-10. The overall, net job placement rate of participants was estimated at 19%. Employment outcomes for on-the-job training were between 25-35 per cent, much lower than those of combined training (37-42 per cent). The internship programme had the highest employment outcomes (44 to 59 per cent). These programme also had some impact on reducing the number of people working in the informal economy (the level of informality was estimated at 27 per cent for participants and 60 per cent for the control group). The performance monitoring results for the job subsidy programme show that about 53 per cent of the beneficiaries were employed at the time of the survey, but only 59 per cent had an employment contract at programme's end.

^{††}Process indicators include structure of beneficiaries being assisted by PES, percentage of job seekers and employers that are satisfied with services offered by PES; output indicators include number of people receiving employment services and engaged in various ALMP, number of vacancies registered and number of job placements; outcome indicators encompass proportion of vacancies filled, and the employment rate of job seekers that have been engaged in various ALMPs.