



# Employment and Social Affairs Platform Peer review workshop on self-employment programme 11 - 12 April 2018, Prishtina

# **Workshop Report**

The meeting was organized in the framework of the Employment and Social Affairs Platform (ESAP) project in coordination with the Kosovo\* Ministry of Labour and Social Welfare and Employment Agency. It gathered the representatives from Ministries of Labour and Public Employment Services (PES) of the Western Balkan economies, as well as experts from UNDP and Slovenia. On behalf of RCC, Nand Shani, ESAP team leader, and Nadja Greku, Assistant to Programme Department participated.

The aim of the meeting was to promote dynamic mutual learning and potential policy transfers among the participating economies on the topic of self-employment, which was selected by the Kosovo\* authorities as a good practice. Participants discussed various aspects of the policy measure, including results, success factors, resource implications and structural arrangements.

Representatives from each PES in the region presented their experience with implementing self-employment programmes, while the RCC expert complemented these presentations by emphasizing some of the good practices, and areas for improvement. The presentations and discussions focused on the following topics:

## 1. Promotion and admission process of candidates into the self-employment programme

Some of the important elements that were discussed included the information campaign, which is carried out prior to the deadline for the submission of business ideas in the Employment Offices, the organization of information meetings in each target municipality to convey the necessary information to all interested people, announcements in newspapers, web sites, media and any other relevant means, the development and utilization of user-friendly leaflets and infographics.

In Kosovo\*, in order to reach out to more vulnerable groups, meetings and specific information sessions were organized with those that otherwise have limited access to formal channels of communication. For example, in order to reach out to beneficiaries from rural areas the Programme organised information sessions in various villages. Similarly, in order to reach

<sup>\*</sup> 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





out to women participants and Roma, Ashkali and Egyptian communities, the Programme organised specific information sessions in collaboration with NGOs promoting women's rights and rights of Roma, Ashkali and Egyptians.

## 2. Admission processes of candidates into the Programme

Regarding admission criteria, all candidates that are registered as unemployed with the Employment Offices, at the time of application are eligible. There is usually a Business Idea Evaluation Panel that assesses the business idea applications.

For greater inclusion of disadvantage groups, additional points are given during the assessment of business ideas for the following groups: long term unemployed, youth, women; survivors of gender-based violence, beneficiaries of social assistance, single parents, people from rural areas, people with disabilities, ethnic minority groups. During the evaluation process of the business idea, applicants from these groups receive up to 10 points (out of 100 depending on the number of characteristics they fulfil) more than the other applicants.

## 3. Entrepreneurship training

Entrepreneurship training is one of the core measures implemented in self-employment programmes. Especially those groups that are typically clients of Public Employment Services have lower skill levels and less experience in business management, thus they are less likely to have well-developed entrepreneurship skills to effectively manage their businesses. Thus, the training focuses on boosting the business management skills of targeted groups.

#### 4. Access to Finance

Financial grants are given to boost the potential for creation and survival of start-ups from the selected target groups. Montenegro is the only country that gives soft loans instead of grants.

## 5. Coaching & Mentorship

Since the first two years of start-up operations are considered as critical period for the survival of businesses even more so for disadvantaged groups since they are less likely to have experience in running businesses, the self-employment programme in Kosovo\* has included interventions to provide professional assistance through coaching and mentoring during this period





Division and inclusion of both coaching (to support during business plan development process) and mentoring services (during business start-up and operations) as part of support package to candidates was considered as a good practice by all candidates.

## 6. Monitoring and evaluation practices

In Kosovo\*, employment counsellors together with the funding organisation monitor the approved applicants under the Programme. They visit each grantee on a monthly basis for the first six months, then on quarterly basis until the end of the one-year contract period.

The MLSW together with UNDP commissioned the external evaluation report during October 2017 to evaluate the self-employment programme covering the period of 2015-2016. Considering the high level of unemployment and inactivity among the general population, the external evaluation found the high level of 'relevance' of the programme for the target groups. With regards to targeting, the evaluation report found that the project achieved good targeting by reaching out to 90% of beneficiaries as long-term unemployed, 45% of which women and 34% from minorities.

Participants discussed several additional relevant topics such as:

- The self-employment programme remains a costly intervention and therefore it is hard to ensure sustainability if there are no external donor funds. The number of beneficiaries remains limited relative to the registered unemployed or those who benefit from other measures.
- There were different perspectives as to who the target group for the self-employment programme is: vulnerable groups, who will require a lot of support throughout the process or well-educated but unemployed people who have good business ideas. It was generally agreed that the programme should target those who would otherwise not be able to start a business.
- Only in Montenegro loans are provided instead of grants for the self-employed. While the amounts of loans are higher than grants and interest rates low, there was a debate on which the best approach is. Loans enable greater coverage and only accept bankable projects, however they require collateral and at the end, the loan needs to be repaid. Grants on the other hand have limited coverage but offer better conditions for start-ups.
- The Federation of BiH does not provide training for beneficiaries and will consider this in the future. Also, mentoring support is not offered in BiH, and the experience of other offices is valuable.
- Albania does not currently implement as self-employment programme and has been very interested to learn from the other experiences in the region.





- Critical factors that affect the success of a self-employment programme include: experience, age of entrepreneur, financial resources, motivation, education, innovativeness, trust in coaching & mentoring, competitive application process, combination of different components of the programme.

Some of the identified good practices include:

- Promotional activities of the programme in the former Yugoslav Republic of Macedonia have a targeted approach to young persons and persons with disabilities;
- In Montenegro, sharing the experiences from those that already went through the process of starting a business and/or become self-employed;
- Regarding entrepreneurship training, in Kosovo\*, the ILOs Start and Improve Your Business Programme is used;

Participants also visited a local employment office and beneficiaries of self-employment programme in their work premises where they had an opportunity to more closely learn about the impact of the self-employment programme in the life of citizens.

#### Follow up:

Based on the discussions at the peer review workshop, a final report will be prepared which will highlight the main policy messages, insights, recommendations and proposals for follow up actions.