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United Nations Development Programme

Active Labour Market Programmes 2

Project Progress Report

January – June 2015

Prepared for
Project Board Members

August, 2015

Project Card

Project Title:

Active Labour Market Programmes 2

Main Objective:

Through a comprehensive and scaled-up approach, the overall goal of the proposed intervention is to build-up on current UNDP achievements in addressing Kosovo's labour market challenges, as well as to pave the way for long-term and sustainable local mechanisms that are capable to address such challenges on their own. The projects' main objective is to improve the capacities of the labour market institutions to design relevant gender responsive policies at central level and to deliver integrated services at local level, focusing on the most vulnerable groups among the unemployed. The intervention during 2015 will strengthen and ensure the sustainability of the links between labour market actors - employers, job-seekers, policy-makers, public employment services and vocational training and educational institutions – through:

1. Improving the human resource capacities and provision of continued direct implementation of active labour market measures for vulnerable groups – with a particular focus on youth and women – and further technical support for the capacities of implementing institutions.
2. The enhancement of the labour market knowledge base in order to ensure evidence-based decision making among labour-market actors.
3. Through identifying feasible ways for Kosovo to establish an Employment Fund, in order to ensure sustainability in the financing and implementation of active employment measures.

Project targets: Expected Outputs	Indicator (s) /Baseline/Target
1. Vulnerable youth across Kosovo – with a particular focus on women – receive integrated employment services	<p><u>Indicator 1:</u> % of unemployed youth benefiting from ALMPs <u>Baseline 1:</u> 35% of unemployed youth (15-24 age group) benefit from almps (total beneficiaries in 2012 is 10,922) <u>Target 1:</u> % youth (15-24) benefiting from almps is increased at least for 5%</p> <p><u>Indicator 2:</u> % of women benefiting from almps <u>Baseline 2:</u> 30% of almps beneficiaries are women (2012) <u>Target 2:</u> % women benefiting from almps is increased at least for 10%</p> <p><u>Indicator 3:</u> % of almps beneficiaries from minority communities <u>Baseline 3:</u> 10% of almps beneficiaries are from minority communities <u>Target 3:</u> % almps beneficiaries from minorities is increased at least for 3%</p>
2. Knowledge base on labour market is enhanced, leading to evidence-based, gender sensitive decision making.	<p><u>Indicator:</u> Number of policy analysis and briefs produced <u>Baseline:</u> Limited number of policy analysis and briefs developed on the labour market supply and demand <u>Target:</u> At least 6 policy analysis and briefs are produced</p>
3. Feasible modalities to establish an	<u>Indicator:</u> Feasibility study is developed by Q3 2015

Employment Fund are developed	<p><u>Baseline:</u> There are no proposed modalities in place for establishment of an Employment Fund</p> <p><u>Target:</u> By Q4 2014, the feasibility study including proposed modalities implementable in Kosovo is developed and endorsed by the relevant institution</p>
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Start/end dates of the project: 2014 - 2017 (36 months)

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

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

Donor(s):

Ministry for Foreign Affairs of Finland:	1,200,000 euro
Ministry of Labour and Social Welfare:	370,000 euro
Ministry of Internal Affairs:	372,400 euro
United Nations Development Programme:	312,500 euro

Total Project Budget: 2,254,900 euro

Contents

Project Card.....	2
Part A (Results Summary)	6
(1.a) Executive Summary	6
(1.b) Background information.....	8
(1. c) Expected Results during the next reporting period	8
Part B (Detailed Progress Report)	10
(2.a) Reporting on Project Progress	10
(2.b) Gender Mainstreaming, Governance and Environment	25
Part C (Quality Assurance)	26
(3.a) Risk Management	26
(3.b) Project Management.....	27
(3.c) Project impact and visibility	28
Annex 1. Summary of Financial Report (EUR).....	30

Acronyms

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

Part A

(Results Summary)

(1.a) Executive Summary

- *Introduction*

Active Labour Market Programmes 2 (ALMP2) is a three year project, designed together with the Ministry of Labour and Social Welfare (MLSW), in line with their programme priorities, as outlined in the Action Plan 2014 – 2016 of the Sector Strategy 2014 – 2020 of the MLSW. The project is implemented together with the Ministry of Labour and Social Welfare as main project partners, and is financed by the Ministry for Foreign Affairs of Finland, the Ministry of Labour and Social Welfare (MLSW), the Ministry of Internal Affairs (MIA) and the United Nations Development Programme (UNDP).

The project is the second phase of UNDPs employment programme implemented since 2005 in close cooperation with the MLSW. The project's main component, along with the institutional capacity building, is employment of young women and men and during the past decade, 12,130 youth were part of one of several active labour market programmes implemented.

Active Labour Market Programmes	Number of beneficiaries	
	2005 - 2014	2015
Public Works Project	3,194	
On-the-job Training	2,972	200
Wage Subsidy Programme	2,138	202
Internship Scheme	1,175	
Professional Practice in Enterprise for VET students	1,138	
Pre-Employment Training	79	
Employment for people with mental disabilities	97	
Institution and Enterprise Based Training	366	
Reintegration of Readmitted Persons	368	118
Training at Don Bosko	40	
Self-Employment Programme	0	43
Total young women and men	11,567	563
	<u>12,130</u>	

- *Summary of results*

ALMP is working in three main intervention areas, namely supporting the labour market institutions develop and strengthen their capacities in policy-making, operational and business processes; direct support to the job-seekers and private sector companies to increase the employability and job creation; enhancing the quality and availability of reliable data to create the space for evidence based policy making; and ensuring the sustainability of active labour market measures through feasible financing mechanisms.

During the reporting period, ALMP2 has achieved the following results:

Reform and Modernization of Public Employment Services

- The Ministry of Labour and Social Welfare is able and has the tools to assess and evaluate the performance of all its Public Employment Services' staff and Employment Offices, against predefined qualitative and quantitative indicators and targets.
- The public employment service' staff of the Ministry of Labour and Social Welfare, have the capacity and the tools to implement different active labour market programmes, including the newly activated Self-Employment Programme (SEP).
- As part of the establishment of the Employment Agency, the public relations concept and materials are prepared and adopted by MLSW.
- Coordination initiated and strengthened between the employment offices in the northern municipalities and the regional employment office of Mitrovica.
- The number of active registered job seekers with the PES has increased by 13%, which means that 12,597 job seekers have chosen PES to search for a job, receive different types of training or participate in almp (January-August 2015). On the other hand, 9,574 new vacancies have been announced in PES by private sector companies, a 46% increase from the annual performance of 2014.

Skills development opportunities and job creation

- **563 young women and men** jobseekers supported to gain skills and find employment opportunities in private enterprises through different active labour market programmes, such as the on-the-job training (OJT), wage subsidy programme (WSP) and the self-employment programme (SEP). 47% of the beneficiaries are women.

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

- Kosovo Agency for Statistics has prepared and launched the Labour Force Survey 2014, providing detailed information on the main labour market indicators in Kosovo. The report has been widely used by various research institutions and policy makers.
- Labour Force Survey team within KAS is able to prepare the database, indicators and report for LFS 2015, with less external technical support as a result of the first training delivered to KAS team.

- *Gender Mainstreaming, Governance and Environment*

The implementation of the ALMP project has been based on and utilizing the best practices and lessons learned from the implementation of the first phase of the project. Thus, the majority of the institutional cooperation has been founded on the very successful partnership of the past ten years. Besides the main partner, the MLSW with its EOs and VTCs, the project has strengthened the partnership and collaboration with other partners: institutions, local and international organisations. The level of participation of NGOs has been extended to include them during each process of policy making and also for the purpose of reaching out to more vulnerable groups during the information campaigns for promoting the almps. The project has continued to use quota as a form of increasing the inclusion of women in the almps and also other project activities. During the reporting period, women represent around 47% of the total number of the project beneficiaries. As part of gender mainstreaming, this year the project together with PES has started introducing quota also for the types of professions, trying to engage more women into the private companies operating in sectors with higher potential for growth. Although the project aims are not designed to have an impact in the environment aspects, priority was given to supporting environmentally friendly companies, and companies that use clean technology resources, especially within the newly launched self-employment scheme.

(1.b) Background information

Table 1: Kosovo Labour market data, by gender¹	LFS 2012	LFS 2013	LFS 2014
Unemployment rate	30.9%	30.0%	35.3%
Men	28.1%	26.9%	33.1%
Women	40.0%	38.8%	41.6%
Participation rate	36.9%	40.5%	41.6%
Men	55.4%	60.2%	61.8%
Women	17.8%	21.1%	21.4%
Employment rate	25.6%	28.4%	26.9%
Men	39.9%	44%	41.3%
Women	10.7%	12.9%	12.5%
Youth unemployment rate	55.3%	55.9%	61.0%
Men	52.0%	50.4%	56.2%
Women	63.8%	68.4%	71.7%

The Labour Force Survey 2014 (LFS) showed the main labour market indicators remain unchanged over the past three years. In 2013, the unemployment rate fell slightly from 30.9% to 30.0% but it increased again in 2014, reaching 35.3%. This increase in unemployment especially affected women, youth and long-term unemployed. Youth unemployment grew from 55.9% to 61.0%. The percentage of long term unemployment also increased, from 68.9% in 2013 to 73.8% in 2014. On the other hand, the employment rate fell again in 2014, also affecting those employed in part-time jobs. Of the 41.6% of the population that is economically active, 176,743 persons are unemployed. Table 1 shows some of the key figures of LFS 2014, compared to LFS 2013 and LFS 2012.

Through a comprehensive and scaled-up approach, the overall goal of the ALMP2 intervention is to build-up on recent UNDP achievements in addressing Kosovo's labour market challenges, as well as to pave the way for long-term and sustainable local mechanisms that are capable to address such challenges on their own. The projects' main objective is to improve the capacities of the labour market institutions to design relevant gender responsive policies at central level and to deliver integrated services at local level, focusing on the most vulnerable groups among the unemployed.

Overall, the project strategy has been designed to contribute towards achieving the outcome of the Kosovo Programme Action Plan 2011 - 2015: By 2015, vulnerable women and men (returnees, IDP, minority groups, PWD, youth) have more economic and livelihood opportunities, and benefit from better public and social services. In line with the UNDP Eight Point Agenda (SC 1325) point 6 (Ensure gender-responsive recovery) and in line with the UNDP Gender Equality Strategy Implementation, the project is ensuring provision of equal opportunities to men and women jobseekers and encouraging young disadvantaged women to undergo training and enhance their skills, hence increase their employment opportunities.

The project contributes to the main Finland's development priority areas, namely to i) a democratic and accountable society that promotes human rights, ii) an inclusive green economy that promotes employment and human development. ALMP2 promotes gender equality and inclusion of marginalized groups throughout the activities.

(1. c) Expected Results during the next reporting period

During the remaining part of the year, the ALMP 2 is expected to achieve the following results:

- A new service delivery model and profiling mechanisms for its jobseekers to be adopted by MLSW, which will enable the PES staff to deliver more effective and higher quality services to its clients, including jobseekers and employers.
- An updated nomenclature of professions adopted by the Socio-Economic Council based on the international standard classification of occupation 08 of ILO. This classification will allow the MLSW to

¹ Labour Force Survey Reports 2013, 2014, 2015.

collect better data, KAS to be able to compare labour statistics against the EUROSTAT indicators, and MEST to draft the standards for the qualifications needed for each profession.

- An employer survey assessing the skills gaps in the sectors of food processing and packaging, metal processing, wood processing, textile, ICT and tourism will be published. The results of it will inform the curricula development for the Vocational Training Centres and future short and medium term training programmes of MLSW, MEST or private sector training providers.
- Human Development Report on the main labour market challenges identified by LFS will be published analysing long-term unemployment; women inactivity rate; youth unemployment; and the Not in Education, Employment or Training. The results will be widely discussed with the main labour market policy makers and institutions, and further enhance evidence based policy making.
- 200 new employment contracts will be subsidized through the Wage Subsidy programme.
- A feasibility study on the establishment of the Employment Fund will be proposed to the government.
- The MLSW will be supported to develop an Employment Programme, which will guide and inform the work plan of the soon to be established Employment Agency.
- An advisory board shall be formed within the new to be established EA, for which a regulation that will stipulate the roles and the functions of the board will be developed once the EA is formally established.

Part B

(Detailed Progress Report)

(2.a) Reporting on Project Progress

Output no.1: Vulnerable youth across Kosovo – with a particular focus on women - receive integrated employment services

Indicator 1: % of unemployed youth benefiting from almps

Baseline 1: 35% of unemployed youth (15-24 age group) benefit from almps (total beneficiaries in 2012 is 10,922)

Target 1: % youth (15-24) benefiting from almps is increased at least for 5%

Indicator 2: % of women benefiting from almps

Baseline 2: 30% of almps beneficiaries are women (2012)

Target 2: % women benefiting from almps is increased at least for 10%

Indicator 3: % of almps beneficiaries from minority communities

Baseline 3: 10% of almps beneficiaries are from minority communities

Target 3: % almps beneficiaries from minorities is increased at least for 3%

Activity Target	Indicator status (Fully/Partially/Not achieved)²	Explain the status of the Indicator	Means of Evaluation/ Verification
Activity result 1: Human Resource capacities of PES and VTC improved			
1.1. Training system is operational according to the HR manual and integrated into the e-learning system	Partially achieved	The training system model is developed and endorsed by MLSW; will become fully operational once the Employment Agency is established	Progress reports
1.2. Service delivery model in Kosovo is analysed and new model is proposed and endorsed by MLSW	Not achieved (in progress)	The preparation phase was longer than planned; the current system is being reviewed and will propose a model to MLSW in September 2015.	Progress reports
1.3. At least 70% of employment counsellors are trained to provide individualized service delivery	Not achieved	The training will be delivered after the service delivery model is defined and endorsed by the MLSW.	Progress reports
1.4. Operational guideline for self-employment programmes developed	Fully achieved	The OGs were adopted for and endorsed by the MLSW.	Progress reports
1.5. At least 70% of employment counsellors and trainers are trained on implementing self-employment programmes	Fully achieved	The employment counsellors working in the 15 selected pilot municipalities received training on how to implement the self-employment programme	Participants lists Progress reports Number of beneficiaries of self-employment

² The target is "Partially achieved" when 60% of target is reached; Target is "Not Achieved" when less than 60% of target is achieved; target is "Fully achieved" when 100% or more of target is achieved.

				programme scheme
1.6. Comprehensive employment programme is prepared and submitted to government for approval		Not achieved	Technical assistance will be provided to MLSW during November 2015-March 2016	Progress reports MLSW endorsement
1.7. Department of Labour and Social Welfare holds regular coordination meetings with stakeholders		Partially achieved	Two coordination meetings were held, a common annual work plan among projects was drafted and shared with the Department of Labour and Employment (DLE)	Progress reports
Activity result 2: Business processes to enhance the 'Integrated concept for service delivery' in offices where physical infrastructure allows improved				
2.1. Client profiling model is established and manual produced		Not achieved	The client profiling model will be developed as an integral part of the service delivery model, planned to be delivered in October 2015.	Progress reports
2.2. Performance management framework for Kosovo PES is integrated into Employment Management Information System		Fully achieved	PMF has been tested in three pilot municipalities; currently the PMF is being tested throughout Kosovo and performance targets have been assigned to every employment office. PMF is integrated in EMIS	Progress reports
2.3. The operational framework for Advisory board of PES is developed and endorsed by MLSW		Not achieved	The Employment Agency has not been established yet.	Progress reports
2.4. The new nomenclature of professions according to ISCO 08 is adopted (new)		Not achieved	This is a new activity which replaced the activity planned for further support to prepare the detailed job descriptions for the staff of the EA. The working group has been established by the Socio-Economic Council, an expert has been hired and the ISCO team of ILO is available to support the process. This activity has been coordinated with ALLED project, and an international consultant is available to support the working group.	Progress reports
2.5. Annual work plan of the PES agency developed		Not achieved	The Employment Agency has not been established yet.	Progress reports
Activity result 3: Training and employment opportunities to vulnerable long-term unemployed jobseekers provided				
3.1. At least 220 vulnerable jobseekers are provided on the job training in enterprises		<i>Achieved</i>	200 women and men were provided with opportunity to develop their skills (91%)	MoUs signed with private businesses Project database 2015 EMIS of MLSW
3.2. At least 30% of the beneficiaries are women		<i>Fully achieved</i>	51% of the jobseekers participating in the programme are women	Project database 2015 EMIS of MLSW

3.3. At least 15% of the beneficiaries are from minorities and people with disabilities	<i>Fully achieved</i>	26% of the jobseekers participating in the programme are from non-majority communities or people with disabilities	Project database 2015 EMIS of MLSW
3.4. At least 40 persons have established their businesses	<i>Partially Achieved</i>	43 new start-up businesses being registered. The grant contracts signed during September 2015	Project database 2015 EMIS of MLSW
3.5. A least 30% of the businesses established are led by women	<i>Partially Achieved</i>	According to the Committee's final decision, half of the businesses (51%) are led by women (22 out of 43 businesses in total).	Project database 2015 EMIS of MLSW
3.6. At least 15% of the businesses established are led by minorities and people with disabilities	<i>Partially achieved</i>	According to the Committee's final decision, 9 persons (20%) of the businesses are led by minorities and people with disabilities.	Project database 2015 EMIS of MLSW
Activity result 4: Awareness on PES Services among Kosovo Labour force is increased			
4.1. Number of active jobseekers registered with PES increased by 3%	Fully achieved	To-date, the number of newly registered active jobseekers has increased by 14%. (see the report for more explanations)	EMIS of MLSW
Activity result 5: Strengthen Employability and Job Creation among young readmitted women and men through active employment measures			
5.1. At least 140 readmitted persons have successfully completed training or were employed	Partially achieved	118 women and men received skills development and employment through one year contract (84%)	Project database 2015 EMIS of MLSW
5.2. At least 80% of beneficiaries are monitored while at enterprises	Fully achieved	99% of the beneficiaries were monitored at least once.	Project database 2015 EMIS of MLSW
5.3. At least 30% of beneficiaries are women	Partially achieved	28.8% of the jobseekers participating in the programme are women	Project database 2015 EMIS of MLSW
5.4. At least 30% of beneficiaries are minorities and people with disabilities	Partially achieved	21% of the beneficiaries are of ethnic minorities or people with disabilities	Project database 2015 EMIS of MLSW
Activity results 6: Employment opportunities provided to jobseekers registered in the EO around Kosovo			
6.1. At least 400 new employment contracts are signed through the wage subsidy programme	<i>Not achieved</i>	The deadline for receiving vacancies from the private companies was on the 31 st of July 2015. A total of 1,102 vacancies in 328 companies, were announced in PES during July-August 2015. 202 new employment contracts signed.	Project database 2015 EMIS of MLSW MoUs signed with private sector companies
6.2. At least 50% of the employed are women	<i>Fully achieved</i>	51% of the employed are women (108 women). In the process of approving the remaining applications.	Project database 2015 EMIS of MLSW MoUs signed with private sector companies
6.3. At least 15% of the employed	Fully achieved	17% of the employed are from	Project database 2015

are people with disabilities and ethnic minorities		non-majority communities and people with disabilities In the process of approving the remaining applications.	EMIS of MLSW MoUs signed with private sector companies
6.4. At least 80% of beneficiaries are monitored while at enterprises	Not achieved	In the process of approving the applications.	Project database 2015 EMIS of MLSW

Activity Result 1: Human Resource capacities of PES and VTC improved

During the reporting period, the project continued to support the capacity building of the PES and VTC through various trainings aiming at enhancing their performance, as well as by introducing models, mechanisms and approaches to improve the quality of services delivered by PES to its main clients: jobseekers and employers.

The Internal Training Framework (ITF), developed for MLSW to ensure sustainable and continuous opportunities for capacity building for the ministry staff has further advanced through the joint support of ALMP2 and the Swiss Development Cooperation-funded Enhancing Youth Employment (EYE) project. The standard training framework proposed for Public Employment Services (PES) Managers consists of: (1) a core-skills/competency training in the guidance and counselling approach to jobseekers and core skills in working with employers developed for advisors in order to understand the work of the advisers/counsellors and information officers, and (2) a core Management Development Programme. The framework will be delivered through training of trainers and an e-learning system; and will be administered by the Human Resources (HR) unit within the Employment Agency (EA) through an HR manual. In line with the model proposed, the EYE project has developed four learning courses, the e-learning system, and the HR manual. However, the MLSW needs to establish the EA in order to functionalize the system. In 2016, there will be other activities related to functionalizing the ITF and linking it to the performance management framework (PMF), which cannot start until the EA is functional.

The integrated service delivery model introduced and used in PES since 2012 is analysed with the support of the project and the assessment report of the current service delivery model showed that the integrated services were not delivered in a standard way in all employment offices and by all employment counsellors. Additionally, the same report highlighted the need to integrate the new products of the current reforms of PES into this model, i.e. the multi-channelling services, the responsibilities the counsellors have according to the manuals developed for the implementation of the active labour market programmes (almp) etc. Finally, the report also found out that not all the types of services were delivered in all the employment offices, except the ones that are required to be registered in the Employment Management Information System (EMIS). The report included a comparison of the model used in Kosovo to other standard models which are currently employed by PES in some European Union (EU) countries, as well as proposed models to be considered by MLSW. MLSW is currently reviewing the models proposed. Based on the model selected, ALMP will support the MLSW to prepare a step-by-step manual for the implementation of the services within the endorsed model, and train its PES counsellors within the newly established EA.

A total of 56 employment counsellors in 15 EOs, trainers of three Vocational Training Centres (VTC), and representatives of the Department of Labour and Employment (DLE) at MLSW received training on how to deliver, monitor and evaluate the Self Employment Programme (SEP). According to the OGs for the implementation of SEP, the employment counsellors collect the business ideas applications and advise registered unemployed interested to apply to the scheme. Later, they will evaluate the presentation and quality of the business ideas, and, finally, after the grant disbursement, they will monitor the newly established companies in the field. On the other hand, the VTC trainers will guide the selected candidates with the best ideas to develop their business plans. The DLE will be responsible for the overall monitoring of the programme. At the

end of the training, each employment counsellor and trainer was equipped with all the required documentation and forms needed during the process. Such an approach has been introduced for the first time in the MLSW PES.

In order to ensure aid effectiveness and coordination, ALMP2 has advocated to organise regular technical coordination meetings under the lead of the MLSW DLE. During January 2015, the DLE held the first joint meeting of the projects supporting the MLSW in its employment and labour policies. The first meeting was guided by the common annual work plan prepared by and agreed upon among all the members of the group. At the moment, the meetings are not held regularly, as the responsibility to coordinate the organizations and projects has been assigned to the cabinet of the Minister. These meetings are organized on ad-hoc basis, whenever the cabinet finds out that two or more projects are working on the same field. It has been strongly recommended to the cabinet and the DLE that this responsibility is assigned to the EA, once it is established and functional.

Activity Result 2: Business processes to enhance the 'Integrated concept for service delivery' in offices where physical infrastructure allows improved

In line with the integrated service deliver model, the PES have agreed to profile the clients they serve. The report commissioned by ALMP laid out the models which are currently used in the EU countries and the countries of the region. Profiling the clients can bring many benefits for the PES services, for example, better distribution of resources, effective delivery of services and also budget savings. The report outlines three types of profiling models, and two combined models which are currently used, namely: (1) profiling based on the counsellor; (2) soft profiling; (3) profiling based on administrative rules; (4) profiling which combines the profiling based on the counsellor and statistical profiling; (5) statistical profiling. Each model has been elaborated and the advantages and disadvantages for each has been explained. Currently, the working group composed of the regional EO, the representatives of DLE and the cabinet of MLSW is discussing each model, and will select one based on the information provided in the report.

The Performance Management Framework (PMF) was integrated into the EMIS, based on the model proposed by the EYE project, and endorsed by the MLSW. The PMF allows the performance of PES to be monitored and evaluated at the counsellor, EO and national level in real time. During the first half of 2015, the PMF was tested in three municipalities, namely Prishtinë/Priština, Obiliq/Obilič and Graçanicë/Gračanica. Currently, the PMF is installed and in use in all the EO around Kosovo. The information collected during this period will inform the targets that the EOs and the EA will use in 2016.

As a response to a request by MLSW and MEST, the project has extended support to adapt the International Standard Classification of Occupations ISCO 08 of ILO. The classification of professions in Kosovo is a necessary standard, used to register, collect, analyse, distribute and demonstrate the situation and changes in the labour market in Kosovo. This standard was adopted in Kosovo in 2006 and was based on the International Standard Classification of Occupations ISCO 88. The classification of professions has been used over the last years to collect data on the structure of professions, job vacancies, unemployment and employment; to analyse labour force changes through the labour force survey; and also to develop new curricula. Given that this classification was developed in 2006, it does not reflect all the changes that have occurred over the last years in the labour market. Additionally, International Labour Organization has also adopted a new international standard, the ISCO 08.



On 25th of June, findings from the implementation of the PMF system in the pilot municipalities were presented during a round table held with the representatives of MLSW.

The Ministry of Labour and Social Welfare and the Ministry of Education, Science and Technology have identified that the classification of professions used in Kosovo needs to be updated based on ISCO 08 standards, and the changes in the labour market in Kosovo. Thus, the Socio-Economic Council has established a working group to draft the classification of professions in Kosovo according to the International Standard Classification of Occupations, 2008 (ISCO 08). The working group is composed of Ministry of Labour and Social Welfare (MLSW), the Ministry of Education, Science and Technology (MEST), the Office of the Prime Minister (OPM), the Ministry of Trade and Industry (MTI), Kosovo Agency for Statistics (KAS), the Ministry of Finance (MoF), social partners, private employment services, and others. Drafting the new classification of professions according to ISCO 08 is part of the sector strategy of MLSW 2014-2016 and the MEST Strategy on Career Guidance.

"Learning the craft at the workplace can lead to sustainable employment. I am very happy with the profession I have learned and I will continue to work here," says Bojan.

Read more about the support provided in the northern most municipalities of Kosovo at:
<http://www.ks.undp.org/content/kosovo/en/home/presscenter/articles/2015/07/24/unemployment-is-a-major-obstacle-to-development-and-.html>

Activity Result 3: Training and employment opportunities to vulnerable long-term unemployed jobseekers provided

The EOs have continued to provide employment counselling and mediation services to jobseekers. The project team has supported the counsellors in the EOs and the representatives of the VTCs at every stage of the implementation of the almps, to ensure their implementation according to the procedures outlined in the manuals, using the specific forms, especially for the newly launched self-employment programme.

During the reporting period, 200 young women and men jobseekers (91% of the target achieved) gained and developed their skills at the workplace, through the collaboration established with 174 private businesses throughout Kosovo. OJT scheme is a type of almp which is tailored to support the entrance of vulnerable groups in the labour market, this year supporting women (51% of beneficiaries), young jobseekers aged 18-25 (78%), jobseekers living in rural areas (40%), non-majority communities and people with disabilities (25%), youth living in families with no income (30%) and people who had attained primary education or with no education (59%). Only 2% of the beneficiaries withdrew from the programme. There will be 20 more young job seekers who will join the programme until the end of 2015. All the jobseekers who had started their training during the last two months of 2014, have successfully finished the programme.



Ermoza Osmani is a 2015 OJT candidate who is completing her training at the "Besiana-G" enterprise



Muhamet lives with his parents and at the moment he is the only working adult in the family.

Read more: about the programme:
<http://www.finlandkosovo.org/public/default.aspx?contentid=326029&nodeid=42563&culture=en-US>

As part of the successful collaboration with the employment offices and vocational training centres around Kosovo, this year the EOs and VTC operating in the northern-most municipalities of Kosovo participated in the implementation of the OJT scheme. In order to pilot the programme, as well as to train the counsellors of the EOs, six jobseekers joined the OJT scheme.

An adopted approach of the implementation process of the OJT is being utilized by the UN Joint Programme on Domestic Violence in Kosovo, to support the economic reintegration of survivors of gender-based violence in the northern-most municipalities of Kosovo.

What is OJT? It is a three months training programme, guided by an individual plan agreed upon between the job-seeker and the private company; monitored by the trainers of VTC and implemented by the employment counsellors with the support of ALMP team throughout the process.

A new operational manual was drafted for and endorsed by MLSW to guide the overall implementation of the Self-Employment Programme (SEP) as a new ALMP to address the high unemployment rates among young people in Kosovo. The manual draws from the international expertise and lessons learned by UNDP in several countries and was adopted to the Kosovo context through several workshops with the relevant stakeholders in the field of private sector development and labour market. During the process, several institutions were brought together, to mention a few: the Ministry of Trade and Industry, several business associations, private enterprises, as well as several experts in Kosovo specialized in the field.

For the pilot phase of the implementation of SEP, two main criteria were set:

1. The sectors supported by SEP during its piloting phase were in line with the priorities set by the MTI. Thus, business ideas in the sectors of food processing and packaging, metal processing, wood processing, textile, information and communication technology, and tourism were accepted.
2. Jobseekers registered in employment offices within the regions of Prishtinë/Priština, Prizren and Gjiilan/Gnjilane were eligible to apply. The regions were selected based on the number of registered unemployed, especially among the vulnerable groups, areas where the priority sectors were growing, and based on availability and variety of start-up business support organizations.

The SEP was promoted through an official launch and information sessions organized in each participating municipality through the EOs and other partner civil society organizations. Each activity within the information campaign has received wide media coverage within Kosovo. Brochures were printed, **including in Braille alphabet for visually impaired people**, which included information about the procedures of application. The table above contains more details on the number of job-seekers who participated and partners involved in each stage of the process to date. Each business plan, qualified to receive the grant and the mentorship, underwent a verification process. A project database has been developed to support the monitoring and evaluation process of the SEP.

At the same time, a tendering process has been concluded to select the company with the best model proposed to offer the mentoring services to the start-ups established through this competitive process.

- **273** jobseekers applied with a business idea to their respective EO;
- **12** representatives from MLSW and UNDP selected the business ideas within the criteria set for SEP;
- The panels were composed of four members: the MLSW, UNDP, EOs and VTCs;
- **133** selected candidates participated in the "Start your business" training provided by VTCs;
- **79** trained candidates submitted their business plans;
- **23** independent experts evaluated the business plans;
- Each business plan was evaluated by at least two experts;
- The business plan committee composed of MLSW, MTI and UNDP approved **53** business plans as preliminary winners to undergo a thorough verification process in the field;
- **53** business plans have undergone field verification, and **43** of these have been approved for financing.

Read more about the procedures of SEP implementation at: <https://mpms.rks-gov.net/Portals/0/ShpalljePublikime/Programi%20i%20vetepunesimit.zip>



The map shows the location of the first beneficiaries of SEP around Kosovo.

Read more about the process:

<http://www.eurasia.undp.org/content/rbec/en/home/prescenter/articles/2015/8/7/i-want-to-build-my-future-self-employment-in-kosovo.html>

The same model will be utilized by two other projects implemented by UNDP, namely the UN Joint Programme on Domestic Violence in Kosovo and the Support to Implementation of the Forest Policy and Strategy in Kosovo project.

What is SEP? Provision of start-up grants, training and mentorship to young jobseekers through a competitive process of selecting the best business ideas, implemented by the EOs and VTCs with the support of the ALMP team, in line with the economic development priorities set by the MTI.

Activity Result 4: Awareness on PES Services among Kosovo Labour forces is increased

During the reporting period, ALMP supported the MLSW to finalize the PR concept and approach for the EA. A brand book, social media campaign model and infographics are developed as part of the preparatory work towards establishment of the Employment Agency. These products were used also during the information sessions for

launching the self-employment programme and the wage subsidy programme.

There has been a notable improvement in the visibility of the PES during this year, as a result of the current reforms of PES, and the increasing support of the international and local partner organizations to MLSW. To illustrate, the main indicators of the administrative data collected by employment counsellors have increased significantly. The number of active registered job seekers with the PES has increased by 13%, which means that 12,597 job seekers have chosen PES to search for a job, receive different types of training or participate in almp (January-August 2015). On the other hand, 9,574 new vacancies have been announced in PES by private sector companies, a 46% increase from the annual performance of 2014.

Activity Result 5: Strengthen Employability and Job Creation among readmitted young women and men through active employment measures

Given the pressing need for the government to move ahead with the implementation of the Action Plan and roll out of support to growing numbers of readmitted persons, UNDP is supporting 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. In view of the urgency of the demand for support, UNDP is using the platform of the Active Labour Market Project that has the capacity, expertise and resources to assist the MIA, in close cooperation with the MLSW and municipalities, to implement a programme of training and employment support for eligible returnees. These activities is co-funded by the MIA using allocated funds from the Kosovo Consolidated Budget, and UNDP utilising existing resources from the ALMP, including project management, which is currently supported by the Ministry for Foreign Affairs of Finland.

UNDP has worked in 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 projects, with UNHCR, UNICEF, OSCE, IOM and other relevant actors.

During the reporting period, a total of **118 (84% of the target achieved) readmitted people** have been part of the on-the-job training programmes or have received a subsidized one-year employment through the EO around Kosovo. 99% of the candidates were monitored during their contract period.

1. On-the-job training Programme

- a. 63 women and men, repatriated from different EU countries, were provided with skills development opportunities at the workplace;
- b. 34% of them are women;
- c. 29% are from ethnic minorities;
- d. 47% have attained only the primary school diploma, whereas only 21% have gymnasium education;
- e. 51% of the applicants are above 30 years old and 24% are less than 25 years old;
- f. 33% of the repatriated candidates are readmitted from Germany, 11% from Belgium, and the remaining 56% from Austria, Denmark, Sweden, Finland, Bosnia and Hercegovina, Switzerland, France and Norway.

2. Wage Subsidy Programme

- a. 55 repatriated women and men signed one-year employment contract;
- b. 53% of candidates have attained primary school education level;
- c. 23.6% were women;
- d. 51% were repatriated from Germany, 11% from France;
- e. 51% from 30 years of age and over, and 25% are between 25-29 years old;
- f. 13% of employed beneficiaries are from ethnic minorities.

In the reintegration process, the role of Municipal Offices for Communities and Returns (MOCR) is crucial as they are the first point of contact for the repatriated persons. There they receive all the information regarding reintegration process and the benefits they are entitled to. Lack of information sharing between the MOCR and EO has been a challenge for including more repatriated persons into employment schemes. The project has organized regional meetings in order to strengthen the cooperation and communication between both institutions, which was very useful to promote partnerships and positive outcomes in this reporting period. The project has cooperated with OSCE to organize regional meetings and to strengthen the role of these two institutions in providing better services for repatriated persons.

One of the challenges of the reintegration process is also the lack of interest of repatriated persons to work in Kosovo. During monitoring visits, the repatriated people obviously showed dissatisfaction with the wage in Kosovo, comparing it with the one in the sending countries. The project, during regional meetings with MEO and MOCR, has discussed the approaches that these offices should use in order to convince repatriated persons about the benefits for them and their families in the integration as the only way for their better future. Both employment programmes for repatriated have been adopted to be closer to the needs of both the employers and the repatriated. Considering the challenges, the wage subsidy scheme for repatriated subsidizes



Until recently, her family of four was supported only through social assistance. "One of my sons studies at a university, while the other still in high school," Fatmire Ejupi says. "I will keep working so that they can continue their studies and build their lives here."

Read more about our support to the reintegration of the repatriated persons in Kosovo:

<http://www.eurasia.undp.org/content/rbec/en/home/presscenter/articles/2015/7/21/coming-home-supporting-kosovo-s-repatriated.html>

employment for a period of 12 months, within a 12 months employment contract. This change has increased the number of beneficiaries significantly, as only during the reporting period, 55 repatriated women and men have signed one-year employment contracts. Considering the sensitivity of the situation, the almps targeting repatriated should be continuously monitored in the field, and they should be adopted based on the findings.

NEW Activity Result 6: Employment opportunities provided to jobseekers registered in the EO around Kosovo – the Wage Subsidy Scheme



The information session organized in Mitrovicë/a, in collaboration with the Kosovo Business Agency (KBA) and Regional Development Agency (RDA) North, on the 3rd of July 2015.

More info on the launch event:

<http://live.kallxo.com/sq/MTL/Kosova-Fillon-Subvencionimin-e-Pagave-7347>

More information about the application procedures on

the MLSW website: <https://mpms.rks-gov.net/Portals/0/ShpalljePublikime/Programi%20i%20subvencionimit%20te%20Pages.zip>

The MLSW and the United Nations Development Programme (UNDP) signed a Memorandum of Understanding (MoU) to jointly implement the “wage subsidy scheme”, a component of ALMP focused on enhancing livelihoods through the provision of employment opportunities to disadvantaged jobseekers in Kosovo. The activities of the project component are in line with the Employment and Social Welfare Strategy 2015-2020 of the MLSW. A total of 400 new employment contracts will be subsidized through the programme which is targeting long term unemployed, women, and people with disabilities who are registered in the EOs around Kosovo.

The programme was launched through a public event with the participation of UNDP, Embassy of Finland, and MLSW, and was followed by information sessions held in the majority of municipalities around Kosovo. The deadline for receiving vacancies from the private companies was on the 31st of July 2015. A total of 1,102 vacancies from 328 companies, were

announced in PES during July-August 2015. At the moment, the EOs and the project is in the evaluating and approving the applications. To date, 202 unemployed have started their new jobs and have signed the MoUs.

• *Stakeholders*

The results of the activities of Output 1 were achieved through the close collaboration with all the partners involved. The main partners for this output has been the Ministry of Labour and Social Welfare and its Employment Offices and Vocational Training Centres. The project has collaborated also with the Division for Social Welfare, when beneficiaries of social assistance category 2 have participated in different types of almp. At the same time, for the component of reintegration of repatriated persons, the project has collaboration with the Municipal Offices of Communities and Returns. For the implementation of the almps, the partnership with the private sector companies have been crucial. During this year, the project has partnered with around 400 private companies around Kosovo, operating in different economic sectors.

When policy development has been supported, the process has been entirely guided by the inputs of the final beneficiaries, i.e. the DLE at MLSW and the staff of EOs and VTCs. Workshops have been organized before, during and after the finalization of the process, and the content has received major inputs from the experience of the staff in the field.

In regards to information campaigns and dissemination, the project has strengthened existing partnerships and built new partnerships. The project has strengthened the collaboration between EOs and NGOs working on

protecting or/and serving the rights of people with disabilities (The Forum of People with Disabilities and its member organizations), minority ethnic communities (Balkan Sunflowers), women (Kosovo Women's Network and its member organizations), etc. New partnerships have been built with RDAs in the north and east regions, and KBAs around Kosovo. These new partners have supported the information campaigns for the WS Programme, considering that they have a large number of companies registered, providing the space and informing their network members. At the same time, the municipal directorates for economic development and chambers of commerce have disseminated the information to their members.

Finally, the project worked closely with other international organizations or partners of MLSW working in similar activities. The finalization of a common work plan has supported each project to have a clear understanding of the work that the others are doing or are planning to do, reducing overlaps and maximizing impact. Thus, the functionalization of the PMF and the ITF has been done in close coordination with the SDC-funded EYE project. Furthermore, the EC-funded Enhancing Employability for Vulnerable Groups project has been supported to train the employment counsellors on monitoring the impact and implementation of almps.

- *Effects*

The strong collaboration among different organizations with the MLSW and other labour market institutions working on strengthening and improving the employment and labour policy making and implementation has had a very big impact in the number of clients who choose to use the PES in Kosovo. As described earlier, compared to the annual statistics of 2014, during this year, the number of newly registered jobseekers has increased by 14%, and the number of vacancies announced has increased by 46%. At the same time, inclusion of the partners in each process and at different stages of them has allowed for stronger ownership of results. For example, the employment counsellors are using the EMIS, and this also has helped to have a better quality of the administrative data collected by PES.

However, in order for the results to be institutionalized, the MLSW needs to functionalize the EA. There are several products, like the ITF with its course content, e-learning tool, HR manual; the PMF, the multi-channelling services etc., which will be fully operational only once the EA is fully established and functional.

- *Baseline*

In 2012, the number of young women and men who benefited from different types of almp was 10,922, and 30% of the beneficiaries were women. In 2015, the total number of beneficiaries of almps is only 2,222, and 23% of them are women. As it can be easily noticed, the number of beneficiaries is significantly lower (80% lower) than the baseline of the project. The majority of the beneficiaries of almps continue to be funded by external partners, and the budget of the MLSW dedicated to almps remain low, even though in the last year, this budget was considerably higher than in the past years. As many previous evaluations and reports have shown, the MLSW needs to find sustainable solutions to finance the almps in the future, based on the needs of the labour market.

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

Indicator: Number of policy analysis and briefs produced

Baseline: Limited number of policy analysis and briefs developed on the labour market supply and demand

Target: At least 6 policy analysis and briefs are produced

Activity Target	Indicator status ³	Explain the status of the Indicator	Means of Evaluation/ Verification
Activity result 7: Relevant Kosovo institutions supported in the production of qualitative labour market data and analytical reports			
7.1. One analytical report (LFS) is produced	Fully achieved	The LFS team within KAS was jointly supported by UNDP and the World Bank with technical expertise. The LFS 2014 report has been published in three languages in July 2015.	Progress reports World Bank and KAS website
7.2. One policy analysis is produced on labour market issues in Kosovo, according to the results of LFS	Not achieved (in progress)	The competitive recruitment process for two writers has been initiated.	Progress reports
7.3. Six sector skills needs surveys are conducted and produced	Not achieved (in progress)	The methodology has been drafted and delivered to IOM, which has commissioned a company to collect the data.	Progress reports
7.4. Three public discussions are organized	Not achieved	The discussions will be held after the reports have been produced	Progress reports

The Kosovo Agency of Statistics (KAS) conducted a Labour Force Survey (LFS) annually from 2001 through 2009. It was subsequently suspended due to budget constraints. With financial support and technical assistance from the United Kingdom's Department for International Development (DFID), KAS initiated a new LFS cycle in January 2012. At the same time, it attempted to implement relevant international recommendations on labour market statistics published by the International Labour Organization (ILO) and Eurostat. In this respect, KAS undertook to move to continuous data collection with quarterly reporting (as opposed to the previous annual survey), the introduction of a longitudinal (panel) component, and the adoption of computer-assisted personal interviewing (CAPI) to improve data quality and accelerate processing.

In late 2011, the Government of Kosovo approved a new Law on Official Statistics. Among other things, the law moved KAS from the Ministry of Public Administration to the Office of the Prime Minister, which is expected to result in more reliable and predictable budget allocations for KAS. With the closure of the DFID Kosovo office in November 2012, the World Bank has taken over the supervision of the LFS modernization project until 31 March 2013. At the request of KAS, UNDP provided support to complete data collection for the Labour Force Survey until the end of 2012. UNDP has also facilitated a set of improvements in the Information Technology (IT)

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

department KAS to enhance capacities to collect and analyse data on remittances. Starting from 2015, Kosovo Agency for Statistics has committed its own budget for data collection, which was a step forward to providing better labour market data in a continuous and systematic manner.

ALMP and the World Bank have jointly supported KAS also in 2015 in ensuring high quality of analysis of data collected. ALMP supported LFS team within KAS to clean the quarterly data collected, prepare the LFS database with all its derivatives and variables and prepare tables with the standard ILO labour market indicators. LFS team has been involved in each process, also receiving training on how to prepare these in the future. The contracted expert has also provided hands-on training in preparing the quarterly analysis for the data collected during Q1 2015. The LFS 2015 report was published and has been widely used by local newspapers and researchers. A very innovative presentation of the data collected was prepared by the NGO Open Data Kosovo, which used all the published LFS reports to demonstrate changes in the indicators. For more information please visit: <http://opendatakosovo.org/blog/women-in-the-workplace-working-hard-for-the-money/>

Currently there is no regular employer skills survey, which would inform education and training providers in designing curricula to best match employers' needs. Based on European Employer Skills Survey and in close consultations with experts, UNDP has developed a methodology for Employer Skills Survey for the six selected economic sectors (wood processing, food processing and packaging, tourism, textile, IT-BPO (Business Process Outsourcing and Customer Support Centres), and metal processing). Given that in all government strategies and programs human capital is considered as key for economic and social development, the aim is that the Employer Skills Survey becomes a regular survey the Kosovo Agency of Statistics. The methodology will be piloted with these six sectors. For the implementation of this activity, ALMP has collaborated with the Diaspora Engagement for Economic Development (DEED) project which is implemented jointly by UNDP and IOM.



Workshop held on the 27th of May 2015 to discuss the methodology to be used in the survey with private sector companies operating in the selected sectors.

The primary aim of the employer survey on skill needs is to analyse the importance of changes for both generic and specific skills in chosen sectors and selected occupations. Information that will be collected include newly-emerging tasks and on drivers of change in the workplace, such as innovation and adaptation to environmental regulations. The questionnaire includes questions related to the preparedness of the workforce to meet new requirements by the employers together as well as the policies adopted by firms to address these areas of concern. The findings aim to inform future development of education and training curricula by the Ministry of Education Science and Technology (MEST) and the Ministry of Labour and Social Welfare (MLSW). At the same time, the findings will inform the process of designing the new nomenclature of profession of the selected occupations of this research.

KAS collects data on education attainment of individuals through LFS but it does not collect data on skill gaps and needs from the employers' point of view. Given that KAS is the institution in charge of providing statistics and that providing adequate skills is considered to be of central importance for Kosovo development the proposal is that in the future the Agency should attempt to undertake skills needs survey. According to the analysis commissioned by ALMP, it was concluded that the methodology prepared for the Employer Skills Survey can be easily implemented by KAS and valuable information can be provided for policy making. Another positive aspect of KAS is that it does possess a Business Register which contains all needed information for survey sampling.

The Human Development Report is a flagship report of UNDP globally, the analysis of which is widely used by researchers and research institutions in Kosovo, the focus of this activity shifted to producing an HDR on the main labour market challenges in Kosovo, identified through the LFS 2015. The latest LFS highlighted that the main employment indicators remain unpromising. The unemployment rate continues to be above 30%, having a higher impact on young women and men (61%). The same data show that long-term unemployment and inactivity rates remain very high. Thus, this report will focus on digging deeper into the causes of negative indicators in the labour market (according to the LFS), such as the long-term unemployment, the large group of Not in Employment, Education or Training (NEETs), the high inactivity rate and youth unemployment based on the datasets available. The report is expected to be published in December 2015, and roundtables will be organized and policy briefs will be sent to each relevant institution.

- *Stakeholders*

The main stakeholder and partner for this output has been the KAS. They have been involved in each of the researches that are currently conducted by the project, since the initiation phase of it. For the LFS, the project has coordinated its activities with the World Bank and in order to avoid overlap of the technical support. At the same time, further support has been provided to LFS to ensure that the quality of the report remains the same also after the technical support of the project and the World Bank. For the skills needs survey, the private sector companies have been involved to inform the occupations that will be researched in each selected economic sector.

- *Effects*

The purpose of the output is to ensure the production of detailed, good quality and relevant insights on the labour market in Kosovo that would enable labour market agents to make informed and evidence-based decisions. Currently, neither KAS nor the MLSW have sufficient financial and technical capacities to ensure the quality of existing data collection systems, especially their analytical components. Similarly, the Labour Market Information System (LMIS) that has already been established within MLSW (through UNDP's support), and which will be technically sustainable due to maintenance by a private contractor, will require further technical assistance to ensure that MLSW can use the collected data to produce solid analytical insights. Similarly, existing initiatives for the production of skills-needs surveys need to be turned into periodic and qualitative exercises. A critical component in advancing the agenda on labour market policy will be the inclusion and contribution of local think tanks and institutes as well as the dissemination of knowledge to relevant labour market agents. That is why it is important to increase the scope of engagement with stakeholders by holding regular public discussions on all of the findings related to the labour market.

- *Baseline*

Having timely and reliable labour market data as a key input into the advancement of evidence-based employment and social policy in Kosovo is of great importance and complements the work that UNDP is doing on labour market issues with the Ministry of Labour and Social Welfare and the employment offices, including the labour market information and other statistics such as social assistance, remittances, etc.

Output no. 3: Feasible modalities to establish an Employment Fund are developed

Indicator: Feasibility study

Baseline: There are no proposed modalities in place for establishment of an Employment Fund

Target: By Q4 2014, the feasibility study including proposed modalities implementable in Kosovo is developed and endorsed by the relevant institution

Activity Target	Indicator status (Fully/Partially/Not achieved)⁴	Explain the status of the Indicator	Means of Evaluation/ Verification
Activity result 8: A feasibility report on establishing of a sustainable and gender supportive Employment Fund, along with proposed implementation modalities for Kosovo is produced			
8.1. Feasibility study on creation of sustainable financing for almps is developed	Not achieved	The government has reached to an agreement as to what the Employment and Investment fund will composed of. The Employment fund will be one of the pillars of this fund. A competitive process will start to select the international expert who will support the process	Progress reports
8.2. Short term and medium term action oriented costed plans prepared and endorsed by MLSW	Not achieved	Expertise to be utilized	Progress reports

The implementation of the almps in Kosovo is donor driven – the majority of training and employment measures implemented to date are financed and implemented through the support of donors and international agencies. The feasibility study would look at the most suitable and applicable model for establishment of the Employment Fund to finance such active labour market interventions in the Kosovo context, taking into consideration the financial implications for the government, private sector, etc. The feasibility study cannot be initiated before the EA has been established and is functional. Therefore, the activities under this Activity Result 8 are yet to be commenced.

The stakeholders for the implementation of this activity are the Office of the Prime Minister, the MLSW, the Ministry of Finance and other financing institutions, which will be identified during the feasibility study.

In order to the Employment Fund to be established, the EA needs to be functional, operational and have its own budget code.

⁴ The target is "Partially achieved" when 60% of target is reached; Target is "Not Achieved" when less than 60% of target is achieved; target is "Fully achieved" when 100% or more of target is achieved.

(2.b) Gender Mainstreaming, Governance and Environment

- **Governance**

The implementation of the ALMP project has been based on and utilizing the best practices and lessons learned coming from the implementation of the first phase of the project. Thus, the majority of the institutional cooperation has been founded on the very successful partnership of the past 13 years. Besides the main partner, the MLSW with its EOs and VTCs, the project has strengthened the partnership and collaboration with and Ministry of Trade and Industry, the Directorates for Economic Development in almost all municipalities, Kosovo Chamber of Commerce, American Chamber of Commerce, German Chamber of Commerce and Kosovo Alliance of Businesses, research Institutions and others. The participation of private sector associations have been key in disseminating the information to reach a broader audience of beneficiaries, and to also provide their help to evaluate business plans within the Self-Employment Programme. For the latter, a total of 23 individual experts are now members of the Network of Experts, established by the project, to evaluate the business plans on a volunteer basis.

The level of participation of NGOs has been extended to include them during each process of policy making and also for the purpose of reaching out to more vulnerable groups during the information campaigns for promoting the almps. In cooperation with Disability Forum of Kosovo, Kosova Women's Network and their member organizations, and Balkan Sunflowers, additional campaigns were organized, specifically for more vulnerable communities, who face more obstacles towards integration in the labour market, offering special tools and resources to support their integration.



During our information campaigns, people with visual impairment had access to information through materials printed in Braille.

- **Gender**

The project has continued to use quota as a form of increasing the inclusion of women in the almps and also other project activities. During the reporting period, women represent around 46% of the total number of the project beneficiaries. As part of gender mainstreaming, this year the project together with PES has started introducing quota also for the types of professions, trying to engage more women into the private companies operating in sectors with higher potential for growth. However, this remains a challenge and requires additional support from VTCs to offer to women trainings in courses which are considered not traditional to them.

Employment scheme for the repatriated person is one of our schemes which have a lower participation of women, attributed to the family and cultural settings of the women candidates. Nevertheless, even at the level of repatriated persons, a positive change in participation has been noticed in the younger generations, who, although, with no previous job experience, represent nearly 50% of the beneficiaries of this scheme.

- **Environment**

The project has overall been neutral to environment, as environmental topics are not among the aims of the project. However, priority was given to supporting environmentally friendly companies, and companies that use clean technology resources, especially within the newly launched self-employment scheme. Due to the still rather high cost of these type of solutions, not many such enterprises could be launched at the first cycle of the SEP. Use of local resources and recycled materials were, on the other hand, used in all of the project activities.

Part C

(Quality Assurance)

(3.a) Risk Management

Assumptions and Risks	Mitigation	Current situation
Low commitment of labour market institutions to implement the project.	The project is designed to work at the policy level and local level. Changes due to elections did influence the central level posts, however, changes at the local level were minor. Several meetings were organized with the new minister and the cabinet. At the same time, the collaboration with the DLE remained the same. .	The changes which occurred due to elections, did not have a negative impact in the delivery of the projects. The collaboration with the MLSW continues to be very strong, and the management structure has not been changed, thus the processes continue to be implemented. There is a higher commitment at the political level to advance and implement the current PES reforms.
Limited PES and VTC human resources (and human capacities) to effectively provide integrated employment services and implement various employment programmes	The project has organized several trainings to strengthen PES and VTC capacities to improve service delivery. The ICT tools have had a positive impact in increasing the number of jobseekers served. Technical capacity building has been provided by the project team.	The capacities of the PES still require to be strengthened, especially in terms of offering all the clients the same type of services, according to their needs. The standard service delivery model is currently being developed, and further training will be delivered to PES staff.
Lack of unemployed persons seeking jobs actively through PES due to lack of information or trust	Unemployed people not registering with PES may highly be due to lack of information on services they provide. Project has organised outreach activities. In addition the project has made efforts to encourage women and minority communities to participate in the project	Only during the reporting period, the number of jobseekers using PES services has increased by 14%. This is due to information campaigns organized and also the work done by the MLSW itself in promoting its services.
Limited number of enterprises interested to partner in facilitating trainings, actively participating board meetings, public discussions, think tanks etc. organised by the project	Project has very good cooperation with private sector (database of about 2000 partner enterprises). In cooperation with other IOs, PES skills to better approach enterprises shall be developed	The project continues to have very good cooperation with the private sector companies. Additionally, the project has strengthened the partnership with other business associations.
Limited number of local organisations/consultants that	A competitive procurement process has just been finalized, and very	The company is ready to provide the services to the start-ups.

provide qualitative mentoring for start-ups	experienced company has been identified, which has local and international expertise in offering mentoring services, and other supporting services to start-ups.	
Lack of financial resources committed by Kosovo institutions to continue implementation of active employment measures	The project shall support MLSW to draft a comprehensive employment programme to be submitted for Gov. approval. In addition, a feasibility study on creation of an Employment Fund shall be conducted. Currently, the project is seeking to initiate the process of hiring an international expert.	Currently, the project will support the MLSW with an employment programme. Once the EA has been established and a specific budget code has been provided by the Ministry of Finance, the project will support MLSW with a feasibility study for the establishment of an Employment Fund.
Limited coordination of activities in the area of operation	Currently, the MLSW has an annual work plan with the detailed descriptions of all the activities of the main partners. At the same time, MLSW has assigned a new staff with the responsibility to coordinate the work of all the organizations working directly with MLSW.	Currently, the main international and national organizations working with MLSW organize meetings based on activities, rather than using the Annual work plan which was developed in 2014.

(3.b) Project Management

- *Organizational structure*

The day-to-day management is the responsibility of the UNDP AMLP 2 Project Team consisting of Project Manager, Business Development Officer, Project Associates, Finance and Admin Associate, Visibility and Outreach Assistant, Business Marketing Assistant. A new member has joined the team, a Project Assistant, who will support in the implementation of almps, especially in regards to the administrative procedures. The ALMP team works under the direct supervision of the Project Manager. The line supervisor of the ALMP team is the Inclusive Growth Programme Analyst/Local Economic Development Portfolio Manager.

The Project Board is facilitated by the UNDP Deputy Resident Representative⁵, comprising of one or more representatives from the Government of Finland and representatives from Ministry of Labour and Social Welfare. The Board has extended its membership to the Ministry of Internal Affairs during 2015. The Project Board role includes:

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

⁵ UNDP shall make efforts to transfer the facilitation role to the project's main beneficiary MLSW

The PB approves all major plans and authorises any deviation from agreed plans. It is the authority that signs off the completion of each stage as well as authorises the start of the next stage of project implementation. It ensures that required resources are committed, and arbitrates on any conflicts within the Project or negotiates a solution to any problems between the Project and external bodies. The PB is ultimately responsible for assurance that the Project remains on course to deliver the desired outcome of the required quality to meet the Project's objectives defined in the Project.

- *Monitoring*

At every stage of the project, all indicators have been monitored, and the impact measured through data collection. Regular reporting and monitoring was carried out by the Project Team, including spot check joint monitoring with the employment counsellors. The project is also monitored through administrative data of EMIS and the project database. This year, the project has a new database used to collect information for each implementation stage of SEP.

- Quality Assurance (by the programme team)

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

(3.c) Project impact and visibility

This project has had a great impact on the lives of its beneficiaries across Kosovo, by providing more sustainable ways to generate income for hundreds of families in both rural and urban regions. The project has utilized social media, information campaigns, conventional media, and web pages of UNDP and MLSW to promote and present the project activities to the public. The ALMP Facebook page and Twitter accounts have been used for live coverage of the events and for presenting success stories of our beneficiaries, partners and also for sharing the results and improvement of services of PES with our audience. For more information please refer to:

Facebook: <https://www.facebook.com/KosovoALMP>

Twitter: <https://twitter.com/UNDPALMP>

The information campaigns used during the launching period of the almps, such as the Self Employment Programme and the Wage Subsidy Programme, have received broad coverage from main news outlets and local media. Special campaigns were used to deliver information to job-seekers from vulnerable groups. Conventional media have covered the activities, campaign and non-campaign related. For more information please refer to some below:

RTV 21: <http://rtv21.tv/web/?p=34922>

Klan Kosova: <http://klankosova.tv/abrashi-shpalos-programin-per-rrogat/>

Telegrafi: <http://www.telegrafi.com/ekonomi/lajme-ekonomi/ministri-abrashi-shpalos-ne-gjilan-platfomen-per-subvencionimin-e-pagave.html>

Koha net: <http://koha.net/?id=9&l=65726>

Kallxo.com (watch video): <http://live.kallxo.com/sq/MTL/Kosova-Fillon-Subvencionimin-e-Pagave-7347>

Zëri: <http://www.zeri.info/ekonomia/39937/lansohet-programi-per-subvencionimin-e-pages/>

Time Al: <http://time.ikub.al/lajme/MPMS-dhe-UNDP-Lansuan-Programin-per-Subvencionimin-e-Pages.aspx>
RTK main news (19:30) on YouTube, watch from 29:28
minute: https://www.youtube.com/watch?v=Bxc0efUk46Y&index=1&list=PLRrFsdYF5HhJpjsE_tg8Y82KaTseurEO9
Epoka e Re: <http://www.epokaere.com/index.aspx?SID=13&PMID=6&LID=2&ACatID=5&AID=61980&Ctype=1>
Gazeta Lajm: <http://www.gazetalajm.com/15-komuna-perfitojne-nga-programi-i-vetepunesimit.html>
Prizren Press: <http://prizrenpress.com/>

The webpages of UNDP Kosovo and UNDP Regional Bureau have been used to promote the success stories of the beneficiaries which can be found throughout the report:

August 2015, "I want to build my future: Self-employment in Kosovo":
<http://www.eurasia.undp.org/content/rbec/en/home/presscenter/articles/2015/8/7/i-want-to-build-my-future--self-employment-in-kosovo-.html>
July 2015, "Coming home: Supporting the repatriated in Kosovo":
<http://www.eurasia.undp.org/content/rbec/en/home/presscenter/articles/2015/7/21/coming-home--supporting-kosovo--s-repatriated.html>
July 2015, "On-the-Job Training Leads to Long-Term Employment":
<http://www.ks.undp.org/content/kosovo/en/home/presscenter/articles/2015/07/24/unemployment-is-a-major-obstacle-to-development-and-.html>
June 2015, "Continuing to provide Jobs for the Most Vulnerable":
<http://www.ks.undp.org/content/kosovo/en/home/presscenter/articles/2015/06/30/continuing-to-provide-jobs-for-the-most-vulnerable0.html#.VZaic41qmxQ.facebook>

At the same time, MLSW has posted information on their page regarding the procedures and forms to be used during the application process for almps, and the selected candidates for each stage of implementation:

The Wage Subsidy Programme:
<https://mpms.rks-gov.net/Portals/0/ShpalljePublikime/Programi%20i%20subvencionimit%20te%20Pages.zip>
The Self Employment Programme:
<https://mpms.rks-gov.net/Portals/0/ShpalljePublikime/Programi%20i%20vetepunesimit.zip>

In addition the municipalities liaised with the project to spread the word and were used as tools for the local audiences, for example:

Municipality of Mitrovicë/a: <https://kk.rks-gov.net/mitrovice/News/Lajmet/UNDP-prezantoi-Programin-per-Subvencionimin-e-Paga.aspx>
Municipality of Obiliq/ć: <https://kk.rks-gov.net/obiliq/default.aspx?lang=sq-AL>

Annex 1. Summary of Financial Report (EUR)

Donor	Total Budget Planned 2015	Committed	Disbursed	Total Expenditures	Balance	UTL
Finland	620,689.52	236,880.80	166,512.01	403,392.81	217,296.71	65%
UNDP	198,847.58	19,545.01	54,302.57	73,847.58	125,000.00	37%
MLSW	290,000.00	0.00	5,314.02	5,314.02	284,685.98	2%
MIA	163,006.85	76,573.98	45,389.00	121,962.98	41,043.87	75%
TOTALs	1,272,543.95	332,999.79	271,517.60	604,517.39	668,026.56	48%