THE SELF-EMPLOYMENT PROGRAMME IN KOSOVO
Supporting entrepreneurship development
In the last several years, with the support of its partners, the Ministry of Labour and Social Welfare in Kosovo (MLSW) has designed and implemented different active labour market programmes, such as Public Works, On-the-Job Training, Wage Subsidy, and Internship. In order to expand the current measures, the Self-Employment Programme was pioneered in 2015. The aim of the Programme is to tackle unemployment in Kosovo by supporting unemployed who have a skill and will to develop their own enterprises with a start-up grant and mentorship services.

The Programme is designed for candidates with a clear business idea, striving to start a micro or a small sustainable business. Eligible candidates and participants of the Programme include all persons registered as unemployed in the Employment Offices at the time of application. The Programme gives priority to women, young people, and other marginalized groups, who are the most excluded from the labour market in Kosovo.

The results have indeed been remarkable both in terms of unique ideas presented by young people and in terms of their drive and dedication to work to overcome any challenges to make their businesses successful.

“The beneficiaries of the Self-Employment Programme will not only create employment opportunities for themselves, but will also generate two to three new jobs each. In this way, they are not only contributing to their individual development, but also to the development of the society as a whole” -

Mr. Arban Abrashi, Minister of Labour and Social Welfare

“Decent work. What is more important today in Kosovo? If we can help more young women and men to gain access to jobs, then this will in turn drive progress on so many other fronts, including health, education, and social welfare, not to mention the environment. This self-employment programme is just one of the partnerships we will need if we are to achieve Kosovo’s ambitious development goals. At UNDP we are pleased, in collaboration with the Government of Finland, to support the Ministry of Labour and Social Welfare in the establishment of new businesses and expansion of existing ones through programmes like this one. At the same time, we also work with young people throughout Kosovo, to help them to build the skills and experience needed to survive and thrive in the modern world economy”

Andrew Russell, UN Development Coordinator and UNDP Resident Representative
Last year, Marigona Shala was one of the many unemployed young people in Kosovo. Today, she is an entrepreneur leading her own small business, and dreams of making it big. If asked how she got here, she would simply reply that: “Great things happen if you invest in young people.”

Even before winning the grant, Marigona had long been thinking of starting her own business, but she was not able to gather the resources she needed. With the support of her family, Marigona aspired to provide specialized automotive services including converting regular vans into mobile freezers or ambulances, or even switching engine types from diesel fuel to petrol. In addition, her business would also provide regular servicing and maintenance for individuals and companies that own automobiles.

After winning the grant, Marigona used much of the financing to renovate her business premises, and purchase new equipment and materials. Currently, she is talking to potential clients and partners while getting ready for the summer season sales. She is also working closely with the Self-Employment Programme’s business mentors to find the best ways to get her business off the ground.

GREAT THINGS HAPPEN IF YOU INVEST IN YOUNG PEOPLE

There are large gender differences throughout the labour market in Kosovo. According to labour market statistics, approximately only one-in-five (21.4%) women of working age are active in the labour market, compared to three-fifths (61.8%) of the male working age population. Moreover, only 12.5% of women in Kosovo have a job, compared to 41.3% of men. Therefore, the Programme has focused on encouraging women to start their own enterprises.
“It is never too difficult to overcome any challenges when you have passion and will,” says Bekim Krasniqi from Lipjan/Lipjane. Despite having a visual impairment, Bekim has gained his certification as an IT trainer with the Association of the Blind Persons of Kosovo. In 2015, he applied for financing at the Self-Employment Programme and won a grant and business mentoring to create software which aids the visually impaired to use information technology products, such as smartphones and personal computers.

An avid user of IT, Bekim knows first-hand how frustrating it could be for others like him to use technology in Kosovo because there are simply no good software products in the market. From experience, Bekim is convinced IT offers numerous opportunities for visually impaired persons to ease some aspects of work and life. He hopes that he has made the first step to encourage more people to think about the opportunities IT can create for people with disabilities.

The need for this application in the region can be felt deeply by thousands of people, and the good news is that this application is currently in the development stage. The initial version of the software tool is expected to be available on Android this year; and in the meantime, as Bekim obtains more financing, the application will be made available for iOS and Windows, and will feature additional languages to accommodate the many ethnicities living in the region. It will be a challenging road ahead for Bekim, but given the social impact of offering such a tool in the market, there are high hopes that other organizations and programs will assist with additional financing to develop and distribute the product.

People with disabilities are one of the top four groups of unemployed facing major difficulties in entering the labour market Kosovo. The Programme has organized info-sessions with different groups of people with disabilities, member-based organizations, and has printed the call for proposals in Braille alphabet, ensuring access to information also to the visually impaired.
Mirjeta Hoxha from Cërnicë/Cernica in Gjilan/Gnjilane has always dreamed to design clothes. Her passion led her to pursue design studies in Turkey, where she was also offered a job with one of the leading fashion houses in the country. She returned to Kosovo with the desire to make a brand new start in her place of birth.

After earning a grant from the Self-Employment Programme, Mirjeta may be well on her way to becoming one of the distinguished members of a new generation of fashion designers who shape modern trends.

Mirjeta has already received orders from all over the region, designed dozens of dresses, employed two others to help her in production, and is well underway to building and marketing her own brand of clothes called “MH”. She mostly relies on the internet and social media to promote her merchandise, and says that most of her sales have come via her Facebook marketing efforts.

Textile has been identified by the Ministry of Trade and Industry as one of the sectors with highest potential for generating employment in Kosovo. To ensure growth, the businesses need easy access to finance, subsidies, business development support services, and skilled workforce. The Programme gave priority to innovative ideas within this sector.
For many years now, Ajnur Arifi from Janjeve/Janjevo has been hoping to revive a tradition and a craft store that his grandfather had opened decades ago. However, the old equipment that once used to give life to a thriving metalsmith store in the hills surrounding the town could not meet the requirements of a modern business. Despite their experience in a relatively demanded craft, no member of the family was employed, and they relied on social assistance to make ends meet.

After having been awarded the financial grant, Ajnur has reinvigorated the tradition. He works together with his brother in their family business. Prior to enrolling in the Self-Employment Programme, he did not have any basic equipment to open a store, and the space he had at his disposal was far from his town. Thanks to the financial support, he rented a bigger workshop, which after having been renovated, fulfils the needs of his business. He built a steel melting furnace and secured all the equipment needed for a good start.

Now he is an entrepreneur doing his work with extraordinary passion. He plans to expand his business which is already serving clients outside of his hometown. He has already employed two other people, and made his first line of products including 120 axes and other tools for carpentry, which he sells in markets around Kosovo.

Ethnic minorities, especially the Roma, Ashkali and Egyptians are significantly excluded from the labour market in Kosovo. Young and older workers, women, and ethnic minorities are more likely to be jobless or employed in informal or low-wage jobs. Thus, the Programme aims to ease their access in the labour market, by giving priority to business ideas submitted by people who belong to different ethnic minorities.
Aiming to promote touristic values of his birth place, Edis Krusha from Prizren brings together tourism and sports. He has turned a hobby into a full time profession and a business. He currently organizes snowshoeing and hiking activities, and provides touristic guide services, mainly focused on visiting the natural beauties located around the Prizren region.

Hiking and mountain tourism, although widely known in more developed countries, is still a relatively novel type of business in the market. But with the help of the Self-Employment Programme, Edis has brought this concept to Kosovo’s Sharr/Šar Mountains.

He has experience as a fitness trainer and a tourist guide; assets in his new job, as well as advantages in growing his business in future. During his work, he has met new hiking enthusiasts who can help him expand his activities, create a stronger network of people with potential to become future partners, and contribute as a taxpayer to Kosovo.

Tourism is also one of the sectors identified by Ministry of Trade and Industry as having high potential for growth and generating employment in Kosovo. The southeastern part of Kosovo is particularly well positioned to become a major tourist destination. That is why the Programme selected Edis Krusha. He knew the mountainous terrain of Sharr/Šar and had the hiking and climbing experience, necessary in developing this type of business year around.
In Kosovo’s market, despite difficulties with providing constant and reliable energy supply, producing wooden pellets is still a relatively novel business model. Yet, Alsid Saiti from Pllanjan/Planjane village in Prizren has decided to become one of the pioneers in this field of business in Kosovo. With financial and mentoring support from the Self-Employment Programme, his start-up is turning into a viable, rapidly growing business venture.

According to Alsid, one of the keys to his company’s future success is establishing relationships with foreign partners with the goal to do business outside of Kosovo, in particular Germany. The reason for this is that the production of wood pellets he specializes in is based completely on processing of materials of organic origin with no chemical additives, highly demanded in the EU countries. Indeed, the raw materials that his company uses are actually by-products or waste, coming from factories and wood processing plants, or other forms of organic waste found outside, such as fallen or trimmed branches, tree foliage in autumn, walnut shells, and so on.

He has seen remarkable success up to now, and has gathered orders for 40 tons of pellets reserved for the next heating season. His entire annual production, given his capacities, has already been pre-reserved. He looks forward to expanding his production and employing more people in the future.

**A NEW FORM OF RENEWABLE ENERGY - BURNING WOOD PELLETS TO PRODUCE HEAT**

*Within the Programme, people who have been mostly successful are those with business ideas that are innovative, who offered new products/services, or used new and/or energy saving technical solutions and production technologies, and used renewable energy sources.*
A FAMILY TRADITION TURNING INTO A SUCCESSFUL ENTERPRISE

Fexhri Jashanica from Ribarë i Vogel/Malo Ribare of Lipjan has long family tradition in carpentry and what has been just a seasonal job until last year, now has turned into a business enterprise.

Indeed, Fexhri saw that there was high demand for his products and his dedication to quality. He used the financial support to buy wood processing machinery, to prepare his workshop, and pay rent and raw materials.

His new business brought even higher sales than expected, including custom-made wooden products for roof isolation.

Due to the winter season, he has employed only two other part time workers, but he believes he will be able to expand production and open even more jobs when construction season takes off.

The Self-Employment Programme is designed to support the creation of businesses capable of being successful in a competitive market. The Programme is competition-based, offering equitable opportunities for all and focusing on generating the highest possible return on the investment. Wood processing is another sector which is foreseen to generate more employment in the future in Kosovo.
“Sumeja” is a newly established pastry shop by Sanije Kuleta in Prishtinë/Priština, named after her youngest daughter. Sanije is now an owner of a shop whose products are being sought after in the market. Pastry making has always been her passion: “I have always received compliments from family and friends who tried my pastries. This also incited me to turn this into a profession”.

Yet, for her as a woman with no business experience, making a living from her passion seemed something daunting and unreachable. Despite the odds, she has managed to overcome the challenges with the guidance provided by the mentors working with the businesses established through the Self-Employment Programme.

The market seems to be welcoming her products. She has already successfully delivered her first orders, after which she immediately received more. Sanije’s customers are not only ordinary citizens with a sweet tooth, but also stores and supermarkets and other food retail outlets. With her husband helping her with the delivery of products, the business is now their primary source of income. Moreover, she is planning to employ more people.

Access to finance has been identified as the main obstacle to start a small business in Kosovo. The access to financing, such as loans, or financing from micro-finance institutions has especially been difficult to secure by women who had no property. In such cases, grants from donors were the only means to help these unemployed persons stand on their feet.
A sewing machine, a working table, and materials to start her work: this is all Lindita Krasniqi, a 25-years-old woman from Prishtinë/Priština needed to embark on her own road to becoming a professional seamstress and an entrepreneur.

She purchased working equipment and materials with resources from the grant provided by the Self-Employment Programme. At the same time, she invested her know-how and long cultivated talent in the business which she says has improved her and her family’s living conditions.

Competition is relentless in the textile sector. Nevertheless, her products seem to be well-accepted in the market considering that she offers them at a more reasonable price and quality compared to her competitors. Given her position in the market, she has received the first orders from individuals and businesses and wholesalers alike, all being expedited from her small shop. To get some help in keeping up with the demand, she has employed one full-time assistant at the shop and another who receives and sends orders to clients.

**TURNING A TALENT INTO A SUCCESSFUL ENTERPRISE**

In 2015, the Self-Employment Programme created 43 new start-ups in 15 municipalities in the regions of Prishtinë/Priština, Gjilan/Gnjilane, and Prizren.
During 2016, the Programme will be implemented in selected municipalities of the Mitrovicë/Mitrovica region: Mitrovicë/Mitrovica, Vushtrri/Vučitrn, Skenderaj/Srbica, Leposaviq/Leposavić, Zubin Potok, and Zvečan/Zvečan. Eligible participants will apply with their business ideas. Best applicants will then take part in a business plan development training focused on the development of business skills, search for other financial support, and will be offered consultations with renowned experts from this field. The applicants who successfully pass the training will develop their business plans and eventually compete for a grant and business development support for their startup.

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