



HUMAN DEVELOPMENT REPORT

2006





A new generation for a new Kosovo

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The views expressed in this report are those of the authors and do not necessarily represent the views of either UNDP or USAID.

In this report, 'Kosovo' refers to the UN administered territory according to UN Security Council Resolution 1244.

Publication of the Kosovo Human Development Report 2006 is coo-financed by UNDP and USAID.

Translation: 'Conference Interpretation and Translation Services'

Editor in English: Jeffrey Arthur Hoover

Production: Rrota, www.rrota.com Creativ Director: Visar Ulaj *Layout*: Arbër Matoshi Korab Etemi *Cover*: Kushtrim Balaj *Photo*: Afrodita Bytyçi

Printed: Grafika Rezniqi - Prishtina, Kosovo

Acknowledgments

Numerous individuals participated in the research, writing, editing and analysis of this report. They include the following, listed below in alphabetical order by organization or group when relevant:

Expert consultants

Ylli Çabiri, PhD, and Lindita Xhillari, PhD, from the Human Development Promotion Centre (HPDC) and associates from the organization.

Contributors

The 'Integra Consulting' and Ekrem Beqiri, PhD.

Peer Reviewers

Valli Corbanese, International Labour Organization Elena Danilova, UNDP Bratislava Regional Centre (BRC) Andrey Ivanov, UNDP Bratislava Regional Centre (BRC) Sabri Kiçmari, professor in the Sociology Department of the University of Pristina Burim Leci, Department of Youth within the Kosovo Ministry of Culture, Youth and Sports Dukagjin Pupovci, Kosovo Education Centre; Gianni Rosas, International Labour Organization Maike Verhagen, Organization for Security and Cooperation in Europe

Special thanks to the following for their assistance in preparing this report:

Blerim Azizi, Kosovo Youth Network; Bashkim Bellaqa, Statistical Office of Kosovo; Ilir T. Berisha, Statistical Office of Kosovo; Lemane Hatashi, Office of the Prime Minister (KDSP Secretariat); Fatmir Hoxha, Ministry of Culture, Youth and Sports; Alban Krasniqi, Kosovo Youth Network; Salih Morina, Ministry of Culture, Youth and Sports; Vasa Pavic, CARE-Serbia; Remzi Salihu, Ministry of Education, Science and Technology; Ylber Shabani, Ministry of Labor and Social Welfare; Dritan Shala, Secretariat Coordinator PKVR 2007–2010, Department of Youth within the Ministry of Culture, Youth and Sports; Piotr Uhma, Organization for Security and Cooperation in Europe; and Sihana Xhaferi, Kosovo Foundation for Open Society.

UNDP Kosovo staff

Nora Ahmetaj, Project Coordinator Mytaher Haskuka, Programme Analyst

Special recognition is also due the participants of workshops held in youth centers throughout Kosovo. They are listed below, as per individual workshops.

Workshop in Peja/Peć

Zymer Asani, Valdet Balaj, Gazmend Blakaj, Lirije Demiraj, Fatos Fetahaj, Tahire Gashi, Luan Hasanaj, Sahit Kandic, Anduen Krasniqi, Valon Loxhaj, Pal Marku, Shkodran Mavraj, Valon Mavraj, Mehmet Mehmetaj, Arton Muhaxheri, Ibrahim Mulaj, Regjë Mulaj, Hysen Nikqi, Burim Qelaj, Haxhi Raci, Ganimete Ramaj, Shemsije Seferi, Gjylfidane Sylaj, Armend Vuthaj and Driton Zeqiraj

Workshop in Gjakovë/Djakovica

Donika Ahmeti, Besjana Alickaj, Egzon Aliçkaj, Burim Bashaj, Ilir Cacaj, Ardian Dervishaj, Memli Doli, Jorinda Gacaferi, Krenare Kastrati, Alban Krasniqi, Jeton Krasniqi, Bashkim Kurti, Milot Lushaj, Besart Malaj, Marina Maric, Liridon Mazrekaj, Avdyl Mehmetaj, Arjeta Miftari, Asim Muqaj, Hekuran Radoniqi, Kushtrim Saraqini, Berat Thaçi and Arbër Xharra

Workshop in Mitrovicë/Mitrovica

Bashkim Asllani, Mehmet Collaku, Vazira Bahtiri, Liridon Beqiri, Ukshin Feka, Ivo Gjokić, Ardita Hamiti, Adem Hajzeri, Burim Haxhiu, Miranda Ibishi, Nehat Jusufi, Ergin Kani, Bajrusa Kosumi, Bujar Lahu, Behxhet Maliqi, Ylber Maxhuni, Arjeta Miftari, Naim Murati, Vesna Ordić, Bashkim Paçarizi, Shqipe Qarkaj, Merita Rama, Valbonë Shala, Aleksandra Stojanovič and Radojko Vlasković.

Workshop in Gjilan/Gnjilane

Sahit Abazi, Emrush Azemi, Fitore Azemi, Jeton Biqkaj, Liza Gashi, Besim Haliti, Hajrije Hasani, Shehide Hasani, Adnan Hoxha, Flamur Ismajli, Vjollca Jakupi, Arlind Jonuzi, Getoar Jonuzi, Muhabere Kadriu, Enver Këqiku, Burim Korqa, Shkëlqime Limani, Arbenita Llapashtica, Fatmire Llapashtica, Riada Maloku, Besfort Morina, Mensur Morina, Fisnik Muja Arben Ramadani, Alban Rrahmani, Shprese Sahiti, Besim Salihu, Naim Shaqiri, Fehmi Sylejmani, Landim Terziu, Shaban Terziu and Irfan Veseli

Workshop in Ferizaj/Uroševac

Nazmi Aliu, Baki Bakiu, Erton Bega, Ilir Buzhala, Alaudin Bytyqi, Majlinda Emini, Arta Ferati, Florentina Ferati, Ardit Gashi, Kenan Gashi, Arben Halili, Enver Kashtanjeva, Sala Kurtaliqi, Nexhmedin Loki, Albulenë Ndrecaj, Abide Osmani, Armond Pajaziti, Bedri Pajaziti, Kushtrim Palushi, Jetullah Sulejmani, Avni Raka, Makfire Ramadani, Adnan Rexhepi, Sevdije Rrahmani, Edmond Salihu, Rrahim Sejdiu, Avni Shabani, Shaban Shabani, Selman Thaqi, Ilir Ukiqi, Besarta Vranovci and Uran Zeqiri

Workshop in Rahovec/Orahovac

Ermira Bekeri, Enis Berisha, Jetmir Berisha, Bashkim Bytyqi, Bekim Bytyqi, Mejtim Bytyqi, Afërdita Dragaj, Xhemajl Durguti, Remzi Gashi, Mirveta Hasku, Behar Hoti, Feride Hoxha, Hamdi Hoxha, Fesal Jusufi, Dritan Kërcagu, Syle Kodra, Mehdi Krasniqi, Hidajete Mazreku, Edmir Mullaabazi, Sylejman Mustafa, Sead Nuhiu, Melisa Sharku, Nazlije Sharku, Shedat Ukaj, Mensur Zena and Jeton Zulfaj.

Many thanks as well to the third-year students in the Sociology Department, Faculty of Philosophy at the University of Pristina, and the participants of the nine focus groups.

Acronyms

| AED | Agency for Educational Development | NGO | non-governmental organization |
|--------------|---|--------|---|
| CEC | Central Electoral Commission | OECD | Organization for Economic Cooperation and Development |
| CV ESI | curriculum vitae European Stability Initiative | OSCE | Organization for Security and Coopera- tion in Europe |
| ETF | European Training Foundation | PPP | Purchasing power parity |
| EU | European Union | RAE | Roma, Ashkali and Egyptians |
| GDP | gross domestic product | SOK | Statistical Office of Kosovo |
| GTZ | German Technical Cooperation | UN | United Nations |
| HDR HPI-1 | Human Development Report Human Poverty Index-1 | UNDP | United Nations Development Pro- gramme |
| HPI-2 | Human Poverty Index-2 | UNESCO | United Nations Education, Science and Cultural Organization |
| IIYR | Italian Institute for Youth Research | UNICEF | United Nations Children's Fund |
| ILO | International Labour Organization | UNMIK | United Nations Mission in Kosovo |
| IMF IOM | International Monetary Fund International Organization for Migration | UNFPA | United Nations Fund for Population Ac- tivities |
| KCSF | Kosovo Civil Society Foundation | UP | University of Pristina |
| MCYS | Ministry of Culture, Youth and Sports | USAID | United States Agency for International |
| MEST | Ministry of Education, Science and Tech- | | Development |
| | nology | VET | vocational education and training |
| MFE | Ministry of Finance and Economy | WB | World Bank |
| MLSW | Ministry of Labour and Social Welfare | | |

Foreword

The 2006 Kosovo Human Development Report (KHDR 2006) is the third such report from the United Nations Development Programme (UNDP) to examine Kosovo's political, economic and social challenges and opportunities. The first report, from 2002, focused on indicators such as the Human Development Index, the Gender Development Index and the Human Poverty Index. According to these indicators, Kosovo was categorized as being at a medium level of human development. The second report, from 2004, featured municipal-level human development data and the first Participation Index, which depicted the levels of civic and political participation across ethnic groups by municipality in both urban and rural settings.

This third report has yet another focus: the young people of Kosovo. KHDR 2006 considers the problems that members of this important population group face, hopeful signs for their brighter future, and their overall position in a society in flux. The report analyzes their problems and opportunities from a human development standpoint. It seeks to achieve that goal by examining the role of youth in the development processes in Kosovo, including issues regarding education, employment, decision-making, civil cohesion, and participation in society as a whole. The report urges public institutions and authorities to establish strong relations with young people so their unique concerns are heard and responded to. It also includes recommendations on how to increase their inclusion in monitoring and decision-making processes as well as in the implementation of government policies.

More specifically, KHDR 2006 recommends that government officials, policy makers and donors develop strategies to reform the education and employment sectors. Such strategies might include the delineation of clear and measurable medium- and long-term goals for improving schools and other educational facilities. Similarly, the report recommends that all government institutions in Kosovo collaborate in the development of programs designed to increase employment opportunities for young people. Additional recommendations focus on how Kosovo institutions, with the support of the international community, can evaluate the efficiency and effectiveness of government initiatives to improve the lives of young people—and what kind of support the institutions might provide.

The process of researching and writing KHDR 2006 was particularly challenging because of its unique structure and the methodology used. Not only is the report based on analysis of quantitative and qualitative data obtained from numerous sources, but it also relied on a participatory approach for data collection. This consisted of conducting a survey among 1,200 individuals aged 15 to 29 as well as nine focus group discussions with different stakeholders. Subsequently, seven workshops with youth across Kosovo were organized to hear their concerns and issues and to validate the results of the large survey and earlier focus group discussions. Secondary sources such as institutional working papers and action plans were extremely helpful during the drafting process.

Although these steps proved to be incredibly important in terms of gathering useful information and observations, a consistent challenge throughout the process was the lack of extensive statistical data and limited access to recorded data and databases. The final report is a tribute to the hard work and dedication of all individuals who helped overcome the obstacles.

The final report is divided into several sections. Chapter I includes a general analysis of indexes and discusses the links between education and entry into the work force. Chapter II examines the schooling system, identifying weaknesses and offering recommendations for improvement, especially in regard to preparing young people for employment. Chapter III discusses how and why investment in youth, notably in terms of quality education and employment opportunities, represents a direct investment in poverty reduction and future development for society overall. And finally, Chapter IV considers how Kosovo society could benefit from greater youth participation in decision-making processes. More extensive involvement on the part of young people would unleash their enthusiasm, energy and creativity—all of which could likely help remove barriers to economic, political and social development.

I would like to express my gratitude to all contributors to this report. My colleagues at UNDP also join me in thanking USAID Kosovo for the financial support upon which this report depended.

Frode Mauring Resident Representative UNDP Kosovo

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ANNEX 1:

Introduction

Kosovo has the youngest population in Europe: Over half of its people are under the age of 25, and about 21 percent of population of Kosovo is between the ages of 15 and 25. Therefore, the challenges related to political, economic and social development during the ongoing transition period are first and foremost the challenges of young people, who are Kosovo's future workers, business people, parents, citizens and leaders. For this reason, the Kosovo Human Development Report 2006 (KHDR 2006) is focused on youth.¹ It examines the problems and challenges they face, their current and likely future role in Kosovo society, and ways to strengthen young people's participation in and influence on political and economic developments.

The report consists of four chapters. The first assesses the current situation of young people and concludes that greater investment in them will help stimulate progress and accelerate poverty reduction. These developments can only be realized through young and highly educated people who are equipped with the appropriate knowledge, skills and competence. The second chapter focuses more directly on education, with special emphasis placed on its vital role in preparing young people for life in general. Chapter III takes a close look at the difficulties many young people have in moving from school to work, a transition that should be much more seamless and easy to negotiate. The underlying assumption is that if a society wants to benefit from the energy, enthusiasm and knowledge of youth, it should create conditions for young people to exercise their civic rights and responsibilities, including participation in decision-making and policy implementation. This assumption lays the groundwork for an analysis, in Chapter IV, of ways to increase the overall role of youth in social and political life, including in building and promoting democracy.

KHDR 2006 is based on results from a broad survey of young people that focused on these key issues and on observations gleaned from roundtable discussions with youth and parents in many areas in Kosovo. The report also takes into consideration data and strategic documents provided by various Kosovo public and private institutions and non governmental organizations (NGOs), as well as UNDP's years of experience in the region.

KHDR 2006 includes concrete proposals for priority measures that are closely related to the issues raised and addressed throughout. The intention was not to repeat recommendations listed in other strategic documents, but rather to identify specific measures to address the concerns raised by young people and their advocates. This report is meant to be a tool that triggers honest and comprehensive debate and discussion among young people, institutions, international donors, civil society and the media.

Meeting the challenges of two kinds of transition

Wherever they live, young people usually find the process of transition to adulthood to be challenging and complicated. This process can be difficult even in a stable overall environment; it is even more difficult for most young people of Kosovo because Kosovo itself is in a transition period. Therefore Kosovo youth is experiencing two different kinds of transition at the same time, and it is not surprising that their levels of uncertainty and anxiety are quite high.

Education, employment, health, starting a family and exercising civic activities are key components of young people's transition in every society. Managing this transition to adulthood is personal to each individual, but at the same time he or she is influenced by family, state and society when making decisions. Family is a particularly important element of Kosovo society. Households are large and parents usually make—or have major say over—their children's decisions. It can be difficult for young people to be independent from their families not only because of tradition, but also because they depend on them economically.

The broader transition challenges are linked to the lack of a clearly defined political future for Kosovo. That reason helps explain why the economy remains sluggish due to insufficient investment, a reduction in remittances sent by emigrants, lack of public-sector resources, a high unemployment rate, and stagnant income growth. About one-third of the population is poor, with some 15 percent of people estimated to live in extreme poverty.

These negative factors have not, however, had a major impact at the human development level. Kosovo trails its Balkan neighbours on income and life span indexes. Overall, its Human Development Index value in 2006 was up slightly from 2002.

These rankings aside, Kosovo is undeniably in a transition period with no clear end result. Ensuring the success of this transition will require the active participation of all people, including the young, in all development initiatives. Engaging young people meaningfully is only possible if they feel hopeful about their educational and employment prospects. These two issues are therefore at the centre of all factors related to social and individual transition.

Education rights and opportunities

Political turmoil in the 1990s indisputably reduced the quality of education in Kosovo. The period after 1999 saw the beginning of the first reforms to improve the situation at every education level. Statistical data cannot provide an accurate assessment of the degree of interest shown by young people in attending school. However, although enrolment levels at the mandatory level are high, they are much lower at the secondary level and, particularly, at the level of high education. There are many reasons for this decline, including the difficult economic situation in general, lack of motivation to learn, substandard learning conditions, long distances from home to school in some areas, and traditional family customs (in the case of young women). Enrolment levels are particularly low at the University of Pristina, for example, due primarily to the depressed economic conditions.

Educational system reform has been hindered by numerous complications. A rapid reduction in donor support was not followed by an increase in support from the Kosovo Consolidated Budget. The major share of expenditure in the education system goes to salaries, which helps explain why the budget is more operational than sector development in nature.

Given present conditions, greater attention should be focused on raising awareness among decision makers and society in general as to the urgent need to improve the education sector. Educating young people should not be viewed merely as a way to prepare them for the labour market or as the sole responsibility of youth themselves, their families or a few institutions. Learning is a cornerstone of society in general; the quality of education provided to young people should therefore be considered a major issue of Kosovos' interest.

From school to work

As noted previously, many young people are at an age when they are transferring from school to the labour market. Across Kosovo, however, this step is difficult to take successfully. For one thing, the poor quality of the education system means that many young people lack necessary skills to find and retain a job. Moreover, employment opportunities are scarce in both the private and public sectors. The number of jobs in the former is limited by the slow development of a private business environment. Employment in the public administration is also not easy to obtain due to limited expansion and saturation of employment opportunities in public sector, cautiousness of decision makers and lack of rigorous and transparent recruitment procedures. Young people who manage to get a public-sector job generally find an employee-friendly environment, but at the same time their ability to influence decision processes is limited. Many have no qualms about stating openly that the public administration requires a new mentality overall as well as more advanced methods of work and support for bold decision-making. Young people themselves are the most likely instigators of such changes in mentality and operation.

Labour-market limitations of this kind have increased the rate of unemployment among young people, particularly among young women. Currently in Kosovo, there are 530 registered unemployed persons per vacancy. Policies being implemented to improve employment are focusing on stimulating business development and equipping young people with necessary skills and knowledge. Another important way to boost employment would be to promote youth entrepreneurship; that, however, requires a supporting legal framework (which Kosovo does not yet have). One final factor behind the high levels of youth joblessness is that even though about half of Kosovo's young are from rural areas, the number employed in the agricultural sector is quite small. The two main reasons stem from lack of interest in agriculture work among most youth and the relatively stagnant state of agricultural development in general.

Vocational education is considered to be a potentially useful and effective bridge between school and work. Yet despite improvements in this sector, training capacities lag far behind demand. Also, the vocational education system is not results-driven but instead is driven by the number of trainees—many of whom do not know if they will eventually be employed anyway because there are so few jobs available.

Several strategies have been proposed to stimulate youth employment. They would be more effective if not characterized by significant overlap and confusion in regard to relevant institutions' responsibilities. They would also benefit from greater financial coordination with the Medium Term Expenditure Framework drafted by the Ministry of Finance and Economy. Without such coordination, these strategies cannot be funded by the Kosovo Consolidated Budget and risk existing on paper only.

Participation: A right and responsibility

Kosovo youth have limited influence in the institutions that make decisions regarding their lives. This occurs for two reasons: The institutions do not feel obliged to respect the rights of youth to participate, and the young people themselves do not consider their participation to be a civic responsibility.

Limited civic involvement and lack of active participation stem to some extent from the fact that school is the main concern of young people aged 15 to 19, while those aged 20 to 25 are often focused on finding a job. They are understandably more inclined to get involved in activities that help them resolve their main problems than in those less specific to their needs. At the same time, young people of both age groups face little incentive for civic involvement because neither their school nor work environments place significant priority on it.

The result of these two factors—lack of a civic participation culture coupled with most families' hierarchic mentality—is youth's limited engagement in their communities. Their participation in NGOs is minimal, and most do not believe they benefit from such organizations' work. (This belief also raises concerns as to NGOs' efficiency, capacities, and transparency regarding operations and activities.)

Youth centres that were established with enthusiasm immediately after 1999, with support from international donors, played an important role in helping bring youth together for joint activities. Yet in recent years many of these centres have curtailed activities or have even closed down entirely. Most were not able to survive after international donor support declined or stopped.

Involvement in volunteer activities, long common in much of Kosovo, has also declined across society and among youth in particular. After several years of peace, most people do not feel endangered any more. One result is a decline in communal spirit, which helped stimulate and spur volunteerism. To the extent that they think of volunteering at all, today's young people often perceive it more as an educating activity than a social one that contributes to community development.

The participation of youth in politics is also limited, with young people citing numerous reasons why they are not interested. Some perceive involvement in politics to be too big of a time commitment. Others, meanwhile, prefer to focus their energies on a career with potentially greater financial rewards. The overall lack of interest bodes poorly for the development of a mature political system in Kosovo. It also bears noting, however, that most youth also feel underrepresented in terms of political decision-making—a situation that can be blamed on those in power today.

Exercising the right to vote is another form of youth participation in democracy. In this aspect, Kosovo presents a slightly different model from other places in transition. Young people in Kosovo participate in elections at higher levels in comparison with other transitional societies, and most express even greater interest in participating in the next elections.

Increasing young people's sense of civic responsibility requires the initiation of measures to stimulate a culture that places a higher value on civic engagement culture. This can and should be done in schools. Also of potential benefit would be to amend the legal framework to define tools that would facilitate youth participation in decisionmaking. Such a change would likely help both public and non-governmental institutions to organize realistic and successful processes of dialogue with young people. For example, instigating broader inclusion of young people in monitoring the implementation of policies that relate to them would greatly assist all Kosovo institutions in meeting the challenges youth face across the region.





INSTITUCIONET E PËRKOHSHME TË VETËQEVERISJES PRIVREMENE INSTITUCIJE SAMOTJPRAVLJANJA PROVISIONAL INSTITUTIONS OF SELF-GOVERNMENT

ZYRA E KRYEMINISTRIT URED PREMIJERA OFFICE OF THE PRIME MINISTER

A new Kosovo for a new generation!

Prishtina is still not the best constructed city in the region, but there is no doubt that Prishtina is the most dynamic city in Balkans. This dynamic of Prishtina and of the entire Kosovo is driven by its people. More than 50% of our citizens are younger than 25. This young population gives a great joy to us.

The Government is responsible to work in ensuring development perspective and a better future for these young people. In front of us we have two options: to look at the youth's frustration due to constant lack of access to education and to labor market or to mobilize all our resources through visionary and courageous policies in doing what is best for them.

The Government has chosen the latter path. Last year the Government has come up with its priority through well-known "Platform of 3 E's" with the Education as a key component to it. The Governments' commitment has been reflected in the 2007 budget, whereby the education funds have been increased for \notin 7 million.

The Government has also made a very important step i drafting of two medium term strategies: *Kosovo Youth Action Plan 2007-2010* and *Youth Employment Action Plan 2007-2010*. Youth employment, strengthening of youth NGO's, informal education, youth participation and integration, education and health prevention are some of the domains of our activities.

Despite this, many problems have remained unresolved. Widespread unemployment is one of the main concerns. This comprehensive document offered by the UNDP presents a welcomed study, which will be consulted with the aim of improving the Government policies. Therefore, we would like to see a new Kosovo for a new generation!

Agim Çeku Prime Minister of Kosovo





Chapter 1

Transition Challenge

Transition Challenge

Kosovo, which has the youngest population in Europe, is in the midst of political, economic and social transition. The associated challenges are particularly great among its young people, Kosovo's future workers, business people, parents, citizens and leaders. Investing today in youth will help stimulate social and economic development and accelerate poverty reduction, thereby ensuring a brighter future for all people in Kosovo.

1.1 The double transition of youth

Age transition

The transition from childhood to adulthood involves a series of intense physiological, psychological, social and economic changes through which young people get to know themselves and are recognized by others as adults. It is a time of physical maturity, especially among teenagers. That is usually followed by important social changes related to completion of school, employment and marriage. During this time a person creates his or her identity as an individual, begins to be recognized and listened to more closely outside of the family and subsequently interacts with the community as an individual. Therefore, the concept of "youth" is tied less to a specific age than to a stage of life characterized by change, energy, enthusiasm and creativity.

Until the age of 15, young people are mainly focused on learning and getting a basic education. At this age they generally are under the complete care, protection and direction of their parents or other guardians. Education may continue until the age of 20, but during the final few years their attention gradually shifts from education to work. Upon completing primary education, young people face major decisions about whether to attend secondary school, enter the labour market or start a family (or more than one of these steps at the same time). Also at this time, young people begin to exercise their civic rights by participating in elections. Work and family are the two main issues that dominate the lives of most between ages 20 to 24, for example.

For today's youth in Kosovo, age-related transition is occurring simultaneously with economic and social transition in Kosovo as a whole. Such a "double transition" can have negative and positive consequences. On the one hand, taken together they increase uncertainty and stress among many young people. On the other hand, however, greater change means greater opportunity to play meaningful roles in influencing Kosovo's future.

Defining youth

In many countries, "youth" is defined by law because it is linked to certain rights and responsibilities. In most countries, the lower limit is usually between 12- and 18-years old, while the upper limit is between 24- and 30-years old. The United Nations Youth Program defines young people as being between the ages of 15 and 24, while the World Health Organization (WHO) and the United Nation's Children's Fund (UNICEF) have a wider range—between 10 and 24 years of age.

Table 1.1 shows existing definitions of "youth" in other parts of South Eastern Europe. Although not legally defined in Kosovo, young people are considered persons aged 15 to 24.²

Box 1.1 Age transition components

Education, employment, health, starting a family and exercising civic rights are key components of youth age transition. Young people's ability to face these challenges depends to a great extent on the social and economic environments in which they are living. Decisions made at this time are critical not only for the individual's future, but for the future of his or her society. Although these decisions appear to be highly personal, they cannot be separated from his or her engagement with family, state and society. All people and institutions therefore have a strong interest in helping young people navigate these transitions.

 Table 1.1: How young people are defined in South Eastern

 Europe³

| | Age group |
|------------------------|-----------|
| Bosnia and Herzegovina | 14-30 |
| Bulgaria | 15-25 |
| FYR of Macedonia | 15-24 |
| Kosovo | 15-24 |
| Croatia | 15-29 |
| Montenegro | 15-24 |
| Moldova | 16-30 |
| Romania | 14-29 |
| Serbia | 15-24 |
| Albania | 15-25 |

Defined as such, youth represent a significant share of the Kosovo population. The overall population in Kosovo is estimated to be between 1.9 and 2.1million.⁴ About 50 percent of the overall Kosovo population is under 25 years old, with about 21 percent of the total in the 14-24 age group. These figures indicate that Kosovo has one of the youngest populations in Europe.

Crucial role of family

It is common for youth in Kosovo of all ages to have close ties to their families. These ties influence and guide much of their decision-making. During adolescence, most important decisions for youth are made by their parents or other adults in the family. In later years, decision-making responsibilities gradually shift to young people themselves. The pace and scope may be influenced by traditional customs as well. For instance, there are cases when decision-making for young women transfers directly from their parents to their husbands.



Family households in Kosovo are traditionally large and sometimes they consist of more than one nuclear family.⁵ About 59 percent of families have at least six members. Families in rural areas are usually larger, averaging 6.4 members—although about 40 percent of rural families have seven or more members. Families are smaller in towns and cities, with only about 27 percent of them have more than six members. Family households comprising a single nuclear family account for about 70 percent of the total; the remaining 30 percent are composed of two or more nuclear families.⁶

In about 93 percent of Kosovo families the head of the households is a man, with most exceptions being households headed by widows. In most families it is the father who makes important decisions (see Figure 1.1).⁷



Family relations appear to be mostly harmonious. About 81 percent of young people surveyed said that they never had problems with their parents (see Figure 1.2).⁸ On the contrary, they consider family life to have more advantages than problems and they appreciate the sacrifices made for them by other members. Generally, when young people begin to work they want to contribute to the family and help support their parents, brothers and sisters. They also recognize that the fact that they are better educated than the older generation can have a positive impact on their families' economic and social situation.⁹

However, young people are also concerned that two linked issues—Kosovo's high unemployment rate and relatively low household income levels—mean they will need to support the whole family if they get a job. In such situations the young person and his or her aspirations for the future become hostage to the concerns of the family in general.¹⁰

The family's role is heightened by issues related to economic dependency. More than half of young people surveyed said they were completely financially dependent on their families, with only about 15 percent saying they do not depend on their family at all (see Figure 1.3). The



extent of financial dependency on the family is the same across all ethnic groups.¹¹

Separating from the family is not a simple step for most young people. They may face resistance from parents who feel responsible for making decisions about anything related to their children, regardless of their age. This traditional view is particularly common in regard to young women. Urban families tend to be more tolerant regarding their children's independence than their rural counterparts. Yet even when the parents are tolerant, separation from the family can be difficult in practice because most families do not have sufficient income to support them away from home. Also, many families depend on financial contributions from young people; such support is likely to be less forthcoming when youth live on their own.

For all of these reasons, young people rarely live independently—and usually only when they have a wellpaying job or when their families are financially secure without their input. A growing number of young people wish they could take such a step, but lack of economic independence more than their parents' opposition prevents them from doing so. About 74 percent of survey respondents said they hope to live on their own once they find a job and become financially independent. A far smaller number, just 29 percent, said the only reason they would separate from their parents would be to start their own families (see Figure 1.4).¹²

When young people live together with parents, the influence of parents is great even for important decisions such as marriage. In addition, youth generally consider it normal not to take such a decision without consulting their parents. But there are occasions when the parents' involvement is greater than mere consultation. About 20 percent of youth say that it is their parents who make decisions regarding the marriages of their family members (see Figure 1.5).¹³ As one roundtable participant observed,

Box 1.2 Economic independence

"When living together with family, we are often deprived of the ability to make important decisions. That is why I prefer to live on my own and feel independent. This does not mean at all that I do not respect my parents. On the contrary, I have very good relations and often consult with them about problems I have. They have started to realize that there is nothing wrong with this independence, and they support me. I have many friends (including girls) who would like to live independently as I do but they are completely economically dependent on their parents..."

 From a roundtable discussion with youth in Mitrovicë/Mitrovica, 30 November 2006.



Figure 1.4. When might you consider leaving your parents' family?

"If we make that decision ourselves, where would we go? We have no income or house to live in!"¹⁴

Parents' direct involvement in selecting a marriage partner is not always greeted with pleasure by young people, of course. In some cases (and more frequently in rural areas), young people do not even meet their spouse until their wedding day. Parents are more likely to arrange such marriages for their daughters, with the main criterion being that the groom comes from a well off family. In such scenarios parents act out of the belief that they are ensuring a decent future for their daughter—even though she has no input in the process.¹⁵

As noted in Figure 1.5, more than half (56.5 percent) of young people surveyed in Kosovo said that each family member made his/her own decision regarding marriage. Meanwhile, 23.4 percent said they obtain their parents' consent and 20 percent said that their parents decide whom they should marry.¹⁶ In comparison, 93 percent of young women and 95 percent of young men in nearby Romania report having the major say in deciding who they will marry.¹⁷



New transition risk: The rise of trafficking among youth

The difficulties of transitioning from school to work often have major negative impacts on young people's lives and welfare. When they experience unemployment and poverty, youth are more likely to experience social exclusion and gender and ethnic discrimination. They may also become involved in the informal economy, which is generally unstable, and organized crime—not to mention illegal drug use. Some may be successfully lured by syndicates or individuals engaged in human trafficking (for the sex trade in other countries). These are among the major concerns voiced by parents, many of whom seek to control their children's activities as part of an effort to protect them.¹⁸

| Box 1.3 | A parent's concerns |
|---------|---------------------|
| Box 1.3 | A parent's concerns |

"...When my daughter went out for the first time with her secondary school friends, both girls and boys, I told her to return home by nine o'clock in the evening, but she came much later and I was very upset. But I find it more and more difficult to convince her about the risks of going out at late night hours. I am terrified by what we hear about trafficking of girls in Kosovo and neighbouring countries. This is a great concern not only for me but for all other parents..." D.M. Parent from Pristina.

Trafficking in girls and women is a relatively recent phenomenon in South Eastern Europe, but it has quickly become a major social and health problem. Persistent economic problems over the past decade or more have increased poverty and, by extension, desperation among many young people. They are often easy targets for organized trafficking groups that promise jobs—often in other countries—but then force the women into prostitution instead. Many people, including victims, are reluctant to speak out about their experiences because of shame and traditional "codes of silence" involving family members and criminal activity. No official data exist about women trafficked from Kosovo, but there are some figures regarding women trafficked into the region. About 98 of them come from elsewhere in South Eastern Europe, with most entering Serbia. In Belgrade and other Serbian towns there are trafficking networks to bring the women in contact with "owners" from Kosovo. Girls and young women are sold for prices ranging from 750 to 2,500 euros (US\$ 970 to US\$ 3,250). Owners often force them to provide sexual services to numerous clients daily, with clients charged around 75 euros an hour. The victims, meanwhile, are paid a token amount (such as 50 euros a month) or merely receive food and shelter from their owners. For the most part they are, quite simply, prisoners. Most trafficked victims in Kosovo come from Moldova (about 50 percent), Romania (20 percent) and Ukraine (about 13 percent), with a smaller number from Kosovo itself. About 60 percent are 24 years old or younger.

Box 1.4 A 26-year-old trafficked woman's story

"After we crossed the Romanian border, he told me that he had bought me from my friend, and fixed my passport and promised to help me. I was shocked but was helpless. Since then I went from one hand to another, I was sold and bought several times, I changed apartments, houses, and hotels until I ended up in a bar in Ferizaj/Uroševac. They took my passport and forced me to become a prostitute, they did not let me go out and communicate with people, they exercised violence and forced me not to refuse clients even when I was sick. I and other girls were their property...." — IOM Kosovo, Return and Integration Project situation report 2000–2005

The United Nations Mission in Kosovo (UNMIK) drafted a strategy in 2004 to combat trafficking and to assist victims of trafficking. Among the stakeholders involved are an Interministerial Group, including the Office of Prime Minister and five ministries, and a significant number of NGOs. UNMIK has also set stricter rules for its staff to help limit violations of its Code of Conduct. Among other things, the United Nations charter states that its staff "should ensure the highest standards of integrity and conduct in the territory where they exercise their functions, without abusing or exploiting individuals of local population, particularly women and children..."

Interethnic tolerance

The ethnic-based conflicts of the 1990s had a significant impact on young people's ability and inclination to interact with people from other communities.



Influenced by the recent past as well as by years of ethnic discrimination against their community, K-Albanian youth are markedly opposed to forming relationships with members of other ethnic groups. For example, 65 percent and 62 percent rejected the possibility of being friends with young people from the K-Serb and RAE communities, respectively (see Figure 1.6).¹⁹ Slightly more than half (54.6 percent) said they would not want to be neighbours with K-Serbs, as did 51 percent when asked the same question about RAE.

K-Serb young people seem to be more accommodating. Of those surveyed, 33 percent rejected the idea of being friends with a young person from the Turkish community, and 29 percent and 25 percent, respectively, said the same about RAE and K-Albanians.

Meanwhile, a majority of young people from the RAE, Turkish and Bosnian communities said they had established good relations with their K-Albanian neighbours. They also believe it is important to strengthen these relationships rather than live in mono-ethnic areas. Integration helps spur economic and social development for entire population, they agreed, and the only advantage they have obtained from living in segregated ethnic areas is some funding from international donors for youth centre activities.²⁰

Youth policies

Government policies to support youth usually focus on improving education access and standards; increasing employment opportunities; and helping develop conditions for greater participation in society as a whole. More specifically, state policies across Europe have the following priorities in regard to youth: (i) education, life-long learning and mobility; (ii) employment; (iii) social integration; (iv) combating racism and xenophobia; and (v) young people's independence. European Union (EU) directives state that every policy that deals with these priority fields should adhere to and be based on the principles of participation, accountability, usefulness and coherence.²¹



The Government of Kosovo's youth priorities are summarized in a paper drafted by the Ministry of Culture, Youth and Sports in 2006.²² It was prepared through a process of consultation and broad participation of youth NGOs and different institutions from both the central and local levels. This document focuses in six issues: (i) youth participation in decision-making; (ii) education; (iii) employment; (iv) health; (v) human safety; and (vi) culture, sports and recreation. The government has allocated funds to address the concrete measures identified by the paper (see Figure 1.7). The largest portion of funds is expected to be spent on stimulating youth employment and participation in decision-making.

1.2 Status of Kosovo's political and economic transition

Progress of democracy

Since the end of the 1999 conflict, Kosovo has moved toward democracy slowly but steadily. That year, United Nations Security Council Resolution 1244 provided for the establishment of an interim international administration in Kosovo—UNMIK—and appointed a UN Special Representative with decision-making powers. The Special Representative, who reports directly to the Secretary-General, was also charged with establishing Provisional Institutions of Self Government at both central and local levels. Over the years, government responsibilities have been transferred step by step from UNMIK to local institutions. The most recent transfer occurred in December 2005 with the establishment of the Ministries of Internal Affairs and Justice. Created soon after was the Kosovo Judicial Council.

In December 2003, the UN Security Council adopted "Standards for Kosovo", a document that further outlined what is needed to ensure full compliance with its Resolution 1244. Six months later, the Standards Implementation Plan²³ was drafted to more clearly define detailed objectives; it also designated tasks and responsibilities for Kosovo institutions to achieve in several major fields. Among them were the following:

- (i) *functioning democratic institutions,* with special emphasis on elections, central and local governance, media and civil society;
- (ii) *establishment and guarantee of the rule of law,* which includes the completion of the legal framework in compliance with international standards and correct implementation of laws, establishing an impartial judiciary, and developing a crime-combating system that respects human rights;
- (iii) *freedom of movement*, which guarantees to all the people of Kosovo equal opportunities to live where they wish, to use their language, to have access to all public services regardless of their ethnic background;

Box 1.5 2006 CEC review of political progress

"Last year all members of political spectrum in Kosovo have demonstrated the will and readiness for a constructive dialogue in efforts to avoid tensions. The election of new President was achieved in a democratic and transparent way. Functioning of Kosovo Assembly has been improved, though the Assembly committees are not always capable of playing their role in legislative process. Government coalition reaffirmed determination to accelerate standards implementation and to establish more constructive relations with Kosovo Serbs. Progress in implementing anti-corruption measures has been slow and wide spread corruption is present at every level. Kosovo Serbs have continued to refuse participation in Provisional Institutions. Eight out of ten reserved seats in the Assembly remain vacant in plenary sessions. Position of Minister of Agriculture, Forestry and Rural Development, reserved for Kosovo Serbs, continues to be unoccupied. Belgradesponsored parallel administrative structures continue to function in most of the Serb dominated municipalities..." -Excerpt from CEC, Kosovo 2006 Progress Report, November 2006

- (iv) *sustainable returns* and rights of communities and their members, thereby guaranteeing the safe return and dignity of all refugees and displaced persons who return to Kosovo;
- (v) *market economy*, which means establishing and rigorously respecting a legal framework that promotes

private-sector development, guarantees free and fair competition, and enables business investments;

vi) *property rights,* codified by law and respecting the rights of legitimate owners of apartments, businesses and agricultural land regardless of their ethnicity.

Political parties, public institutions and civil society in Kosovo have all made these standards priority objectives of their work. Local government elections in 2000 and 2002 and parliamentary elections in 2001 were the first steps toward pluralist democracy in Kosovo and represented the first time in the Kosovo's history that everybody had the opportunity to freely express their political will. A second round of parliamentary elections was held in October 2004. That election was assessed by international observers as free, fair and democratic even though it was boycotted by the majority of K-Serbs. Although lacking significant experience, political parties have played an increasingly prominent role in leading Kosovo institutions through the difficult and complex political, economic and social transition.

There has also been significant progress in recent years in terms of respect for human rights, freedom of speech, and freedom of religion for members of all religious communities. Particular attention has been paid to minority rights. A special anti-discrimination law was adopted by the Assembly along with a detailed action plan for its implementation in the period of 2005–2007. The plan reportedly is being implemented strictly by all relevant institutions. Progress has also been made in establishing the legal and institutional frameworks of a market economy, which should help encourage private-sector development.

Much more needs to be done before the standards are implemented completely and comprehensively. However, international institutions generally agree that good progress is being made toward achieving a fully democratic Kosovo managed by solid, qualified institutions. That positive assessment was borne out by the UN Security Council's decision, in October 2005, to open negotiations for the Kosovo final status settlement. The first round of talks, held in February 2006 in Vienna, marked the first time since before 1999 that high-level representatives of both the K-Serb and K-Albanian communities in Kosovo met with officials from Serbia. Although nearly all observers agreed that some progress was made in this and subsequent rounds of talks, participants were reluctant to compromise. Therefore, despite previously stated promises to resolve the Kosovo's status during 2006, the Contact Group countries, the UN's special envoy (Martti Ahtisaari), and the UN Security Council agreed to postpone a decision until 2007.

Table 1.2: Major macroeconomic indicators for Kosovo

| | | | | | Years |
|---|-------|-------|-------|-------|---------------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 ²⁵ |
| Real increase of GDP (%) | 9.6 | 8.3 | 2.1 | 0.3 | 3.0 |
| Inflation (%) | 3.6 | 1.2 | -1.4 | -1.4 | 0.7 |
| Investment growth (%) | -9 | -7 | 25.1 | -26.0 | 29.4 |
| Growth in exports (%) | 2.2 | 0.1 | -8.7 | -11.1 | 30.3 |
| Growth in imports (%) | -5.6 | -4.5 | 1.0 | 9.4 | 13.3 |
| Coverage ratio of imports by exports (%) | 2.3 | 2.4 | 7.7 | 6.5 | 8.1 |
| Remittances (in millions of euros) | 341.4 | 341.4 | 215.0 | 281.0 | 318.0 |
| Foreign assistance (in millions of euros) | 897.5 | 698.7 | 565.0 | 491.0 | 465.0 |

Source: for data 2001-2003 IMF, Aide Memoire, May 2006 For data 2004-2006 IMF, Aide Memoire, February 2007

Fragile economic sustainability

Kosovo had always been the poorest part of Yugoslavia. In 1988, for example, GDP per capita in Kosovo was just 67 percent of the average in Yugoslavia as a whole and just 44 percent of the average in Slovenia, the richest region—and only 74 percent of the average of Serbia, of which Kosovo was then a part. As Yugoslavia broke apart, Kosovo became even poorer; per capita income in 1995 was just US\$ 400.²⁴ Therefore, after a decade of decline Kosovo's economic situation was dismal in 1999, the year the transition reforms were first initiated.

Kosovo's economy did grow, albeit slowly, from 2000 through 2006. However, macroeconomic indicators point to sustained instability (see Table 1.2 and Figure 1.8). It is important to stress as well that gathering accurate economic data over this period was difficult due to fluctuations in methodologies used especially with regard to the outlier impact of the large number of foreign expatriates in Kosovo. The information provided in Table 1.3 represents an attempt to consider these factors.

The surge in GDP through 2002 was significantly influenced by the growth of donor support, which reached 900 million euros and was focused on housing reconstruction and rehabilitation of infrastructure damaged in 1999. The level of assistance began decreasing shortly thereafter, with the 2006 amount estimated to be two times less than in 2002. That reduction was a major factor in the decline in overall GDP values.



The adoption of the euro as Kosovo's official currency has been beneficial for sustainable monetary policies and stabilizing exchange rates. Inflation has decreased significantly; in the medium-term it is expected to rise about 1.8 percent per annum.

| | | | | | | | | Values by y | ear (GDI | P in millions | of euros | and GDP p | er capita | in euros) |
|-----------|-------|---------|-------|---------|-------|---------|-------|-------------|----------|---------------|----------|-----------|-----------|-----------|
| Source | | 2000 | | 2001 | | 2002 | | 2003 | | 2004 | | 2005 | | 2006 |
| | GDP | /capita | GDP | /capita | GDP | /capita | GDP | /capita | GDP | /capita | GDP | /capita | GDP | /capita |
| IMF(2001) | 1.291 | 692 | | | | | | | | | | | | |
| IMF(2002) | 1.560 | 823 | 1.946 | 1.008 | | | | | | | | | | |
| IMF(2004) | 1.063 | 584 | 1.625 | 870 | 1.735 | 913 | 1.797 | 930 | | | | | | |
| IMF(2006) | 1.750 | 962 | 2.423 | 1.297 | 2.482 | 1.306 | 2.496 | 1.292 | 2.542 | 1.294 | 2.463 | 1.232 | 1.232 | 1.232 |
| IMF(2007) | | | | | | | | | 2.282 | 1.161 | 2.238 | 1.120 | 2.270 | 1.117 |

Table 1.3: Calculated values of GDP and GDP per capita

Source: World Bank, Public Expenditure and Institutional Review, September 2006. IMF, Aide Memoire, 19-27 February 2007

Box 1.6 Prediction of macroeconomic development

Experts have devised two macroeconomic development scenarios for Kosovo through 2010, based on different hypothesis on political stability and proportion of economic reform program implementation. In a "normal" development scenario, real GDP growth in 2010 will be 3.5 percent, revenues will reach about 707 million euros (US\$ 930 million) and expenditures will be about 775 million euros. A "rapid" development scenario could see GDP growth of 5.2 percent, with revenues and expenditures totalling 877 million euros and 933 million euros, respectively.

—World Bank, Public Expenditure and Institutional Review, September 2006

The trade deficit remains relatively high, reaching about 45 percent of GDP in 2005. Over the last four years, export value has been less than one-fourth of import value. This is due to a limited range of exportable goods and most domestic firms' poor ability or inclination to compete with foreign-produced goods. Privatization of sociallyowned enterprises has been slow because of a lack of foreign investment, insufficient capital within the local business community, and concerns about social unrest should jobs be lost through the sale of public firms. As a result, the public sector's share of the economy remains high, accounting for nearly half of overall GDP.

Public income and spending have increased constantly since 1999, but their values remain low and insufficient to finance development programs. The first drafting of the Medium Term Expenditure Framework of Public Spending in Kosovo for a three-year period (2006–2008) marked an important step toward programming and monitoring of budgetary income and spending²⁶. As noted in that document, government income doubled during the period 2000-2003, reaching about 600 million euros (US\$ 788 million). Donor funding accounted for most of this increase. Growth is expected to be slower over the ensuing years, with revenue predictions for 2006 estimated at about 625 million euros. Budget revenues are mainly collected at the border as VAT (value added tax), excise and customs duties, while tax collection within Kosovo continues to be limited Local government revenues are even smaller, which means that municipalities are nearly completely dependent on transfers from the central government. Since 1999, expenditures have increased faster than revenues-the result of (i) increased public investment, and (ii) UNMIK's transferring of many governing responsibilities to new public-sector institutions. Public spending in 2006 is predicted to be about 700 million euros.

Combined, these data indicate that despite some positive signs, there has been little significant improvement in Kosovo's macroeconomic and fiscal situation that would guarantee sustainable economic growth in the future. Nor, too, do the figures offer much hope for fiscal sustainability to protect the economy from medium-term risks. In general, the development of a market economy in Kosovo is only in its initial stages. Currently it is primarily a consumption-oriented economy in which the rapid growth of the service sector is accompanied by a lagging and inferior production sector. Even the most optimistic assumptions regarding public-sector income and expenditures (see Box 1.6) would not, if achieved, prompt radically accelerated growth in Kosovo's economy.

Emigrants and their remittances

Migration has been a constant in Kosovo society for decades. Throughout the 20th century, many families managed to survive only through the remittances sent by emigrants living and working elsewhere. The strength of the Kosovo diaspora has been proven more than once, including during the difficult times of the 1990s.

The current high poverty and unemployment rates continue to make migration an attractive option for many people, especially the young. Surveys show that about 50 percent of Kosovo's youth—and the share is similar among all ethnic groups—would emigrate if they could.²⁷ The main reasons for seeking to migrate are for greater economic opportunity and the chance for a better life in general (see Figure 1.9).



Political and economic developments in recent years, not only in Kosovo but also in European countries where people from Kosovo have moved, have had a significant impact on the extent of migration and in the amount of remittances. Although accurate data are difficult to obtain, various international institutions have sought to estimate the amount of remittances sent to Kosovo. According to one estimate, by the IMF, the amount of remittances for Kosovo in 2006 was projected to total 318 million euros.²⁸



Figure 1.10: Transition countries with highest remittances

Source: IMF, Annual Balance of Payments, 2002²⁹

In transition countries, remittances are considered important not only for family subsistence but also as a business investment source. In some countries the value of remittances is much larger than that of foreign direct investment (FDI) or official loans and grants.

According to data collected in 2001, Kosovo ranked fifth among 10 transition economies in terms of highest total remittances received as percentage of GDP (see Figure 1.10). Today, remittances are almost at the level of international donor support (see Table 1.2). As such, they are play an important role in easing the difficulties of transition in Kosovo; in particular, they have been useful in helping build entrepreneurship by supporting owners of small businesses who may have difficulty being approved for a bank loan. However, there are recent indications that the amount of remittances has declined since 1999 (although there is some recovery in last two years)³⁰ and that they are being used more for daily subsistence of poor families than as tools for economic development. This assessment is based on (i) an increase in the number of migrants repatriated to Kosovo voluntarily or because of stricter rules in Western European countries on migration in general or about migration of people from Kosovo in particular;³¹ (ii) negligible growth (or even decline) in the value of remittances as migrants and their families set up stable lives in other countries; (iii) the belief among many migrants that the emergency situation has passed and that Kosovo therefore has less need for special assistance; (iv) a decline in the number of families who report benefiting from remittances; and (vi) Kosovo economic indicators following reduction of international donor support.

These developments lend urgency to calls to more realistically assess the role of migrant remittances for the future development of Kosovo. It is clear that they cannot be considered a viable and consistent source of financial assistance for society overall.

Box 1.7 Obscurity about remittances

Although migrants' remittances in many studies of international institutions are assessed to be very important for fragile economy in Kosovo, data on such remittances are so contradictory that they shake the confidence on their real role. According to IMF's estimates, the amount of remittances in 2001 was € 610 million, while in 2003 - about € 720 million. Central Banking and Payment Authority Annual Report estimates of 2003 remittances have been about € 568 million. World Bank in its the Economic Memorandum of 2004 assessed remittances of the period 1999 – 2004 at about € 550 million per year. In 2006 IMF reassessed remittances starting from € 317 million in 2001 to € 347 million in 2006. Through the Household Budget Survey of 2004, SOK assessed remittances for 2003 at about € 123 million. World Bank Poverty Survey of 2005 estimated that remittances do not count for more than 15% of all household income in Kosovo. - (ESI - Cutting the life line, Migration families and the future of Kosovo, September 2006). This obscurity about such an important issue and, in particular, low figures drawn from direct household statements in these last two documents, raise concerns about accuracy of today's assessment of Kosovo economy and about medium-term development scenarios, which should not be underestimated.

Deepening of poverty

Kosovo is the poorest region in the Balkans and one of the poorest in Europe. Poverty is multidimensional and widespread. The low income level is the main reason for the persistent poverty, which is at the same level today as at the beginning of transition. Poverty reduction is one of the most important and most difficult challenges to overcome.

In 2002, an estimated 37 percent of the population lived in poverty (defined as subsisting on 1.42 euros a day),³² while about 15.2 percent lived in extreme poverty (subsisting on less than 0.93 euros a day).³³ Poverty was most common among older people, households led by single mothers, families with children, persons with disabilities and unemployed people.

Children and young people under the age of 24 are disproportionately likely to live in extreme poverty. Those younger than 25 comprise about 57 percent of people facing extreme poverty, with young people aged 15 to 24 comprising 22.4 percent (see Figure 1.11). Nearly 16 percent of the total number of young people in this age group were estimated to be living in extreme poverty.



The majority of those who live in extreme poverty in Kosovo, 86 percent of the total, are K-Albanian. K-Serbs comprise 6 percent and 8 percent are members of other ethnic groups. Meanwhile, 14.6 percent of K-Albanians

and 13.9 percent of K-Serbs live in extreme poverty, while the number of people that live in extreme poverty among other ethnic communities is at least two times higher (31 percent). This means that on average every third inhabitant of these communities lives in extreme poverty.

Extreme poverty is highest by proportion in the Ferizaj/ Uroševac region, where about 29 percent of people live on less than 0.93 euros a day. Other areas with particularly high rates are Mitrovicë/Mitrovica and Peja/Peć, at 24.2 percent and 22.6 percent, respectively. In total, one out of every four person in extreme poverty lives in Mitrovicë/ Mitrovica.

Although the majority (70 percent) of extremely poor people live in villages, the rate of extreme poverty is higher in urban areas, excluding Pristina. The high level of unemployment is to blame for urban poverty, while rural poverty is linked to the uncompetitive state of most of the agricultural sector. Most rural residents, for example, are able to grow enough food for their own personal consumption only, thereby leaving little if any to sell to make money.

In general, employment income is the main source of income for all people of Kosovo. It accounts for about 60 percent of total household income, while income from migrant remittances accounts for 15.2 percent. In towns and

Box 1.8 Data gathering hampered by disregard for statistical rigour

The availability of statistics about Kosovo has definitely improved. A new government institution, the Statistical Office of Kosovo (SOK), has strengthened links with other local institutions and has received extensive international donor support. As result, new statistics have been added to statistical program, some of the existing statistics and statistical structures have been improved, and a number of documents have been published to provide statistical data about different fields.

However, there is a considerable disregard of statistics. Data are missing, are processed or published with delays or have glaring discrepancies for key statistical data such as overall population and specific age groups, GDP, economic growth, contribution of various sectors to Kosovo's revenues, enrolment rate of students at different education levels, infant mortality, unemployment, the extent of international donor support, and the number of active businesses. Public institutions often find it easier (not to mention more accurate) to use the data of international institutions engaged in Kosovo. Some data are borrowed so frequently that it becomes difficult to know the true source. Moreover, many international institutions have done little to encourage greater rigour in the domestic data-gathering field—at least in part because they prefer to have their own statistical data or to refer to source materials of sister organizations. As a result, while IMF macro-economic indicators and ILO labour-market indicators may be found in every document produced by both international and domestic institutions, there are no data provided by SOK and other Kosovo's structures.

These shortfalls are worrying. A vast number of documents are being prepared that do not have accurate and updated data. Effective policy making subsequently suffers. It is difficult, for example, to draft a successful employment strategy without knowing the precise size of the active labour force, the number of unemployed people, and in what sectors joblessness is most extensive. Likewise, no efficient measures to increase civic participation among young people can be developed without statistical data on the number of students who attend school by age group and their education level, gender and place of residence. In the health sector, strategies to combat infant mortality cannot be identified if the same data figures are released every year, including those that list causes of death.

The current situation is also extremely inefficient. In general, when policies are not based on accurate data, it is necessary to spend significant resources and time to develop appropriate measures. Such delays and resource misallocations can be very costly for a small place such as Kosovo.



cities, income from jobs accounts for 66.5 percent of total household income, with migrant remittances accounting for 11.4 percent (see Figure 1.12).³⁵ As a result, urban areas where employment opportunities are extremely limited, notably Mitrovicë/Mitrovica and Peja/Peć, have Kosovo's highest extreme poverty rates.

Reduction of poverty, particularly of extreme poverty, is therefore closely linked with economic development in Kosovo and much less with remittances of migrants from abroad. The development platform consequently is focused on the work of people who are living in Kosovo and their efforts to revitalize the economy.

Desire to end uncertainty over status

Status is a major word in nearly every discussion in Kosovo these days. According to an opinion poll published in July 2006,³⁶ a permanent settlement on the future status of Kosovo is considered "important" and "very important" for 98 percent of K-Albanians and about 86 percent of K-Serbs currently residing in Kosovo or displaced from Kosovo. Members of both groups believe the most important issues to be addressed in Kosovo are its status, economic development, and unemployment. Over 90 percent of K-Albanians think it is crucial for Kosovo to be an independent state within the current borders; meanwhile, about 80 percent of K-Serbs want Kosovo to remain a province within Serbia, albeit with broad autonomy.

K-Albanians who support independence have different reasons for doing so, many of which are linked to their age and experience. Older people are more inclined to see independence as their right in the wake of the deadly ethnic cleansing and years of repression. Young people are more inclined to focus on the future rather than the past. They believe that resolving the region's status is important because it would have a positive impact on efforts to improve people's lives and living standards³⁷

The young people certainly have a point. The lack of a clearly defined final status for Kosovo is a serious obstacle to economic development. The uncertainty scares off

Box 1.9 Investment contraction

"Until the final status of Kosovo is settled, foreign direct investment, access to capital and markets and funding through concession loans shall remain limited." — World Bank, Public Expenditure and Institutional Review, September 2006

foreign investors and potential domestic entrepreneurs alike. The economy therefore remains stagnant due to insufficient investment, inability to exploit potential resources, disinclination to take risks, a high unemployment rate, and persistent poverty.

The lack of a clear final status for Kosovo also is compromising most development plans and strategies that have been drafted—yet currently remain only on paper. The Kosovo Spatial Plan is an example of this.³⁸ It was drafted under the assumption that public and private investment (from both local and international sources) would steadily increase over the period 2004–2008, reaching 216 million euros (US\$ 285 million) and 495 million euros a year, respectively. The actual amount invested in the first three years fell far short of those projections.

The provisional nature of many processes is also an obstacle to strengthening Kosovo and clarifying governance responsibilities. Many young people have concluded that uncertainty over the provinces' status limits their ability to take action in response to governance weaknesses and other negative phenomena in Kosovo. They believe that if they point out flaws and complain, they could inadvertently influence the status decision in the opposite direction of what they desire. As one roundtable participant noted, "We have lowered our heads and wait in hope."³⁹

1.3 Level of human development

Improvement or deterioration?

In general, a country's economic development is not necessarily an accurate indication of its level of human development. A better assessment can be made using the Human Development Index because it takes into account other development indicators.

UNDP's Human Development Index for Kosovo was calculated for the first time in 2001 and then again in 2004.⁴⁰ It was based on data from three sub-indexes:

- *(i) income index,* measured by GDP per capita, expressed in purchasing power parity (PPP in US\$);
- *(ii) education index,* measured by considering literacy rate and attendance rates for primary, secondary and university education; and

(iii) life expectancy index, which is measured based on residents' average lifespan.

Box 1.10 Measuring human development

UNDP first used its Human Development Index in 1990. It was designed to expand the confines of traditional measuring based on income level, which on its own is insufficient for measuring development. UNDP's index is based on the idea that welfare is the ultimate development goal, while economic growth is a tool to achieve that goal. Therefore, besides income, it takes into consideration other development data such as those regarding education and lifespan. The Human Development Index has made it possible for different countries to compare their overall levels of development as well as the effectiveness of policies implemented to advance this development.

There are no complete and accurate data to measure these indexes in Kosovo (see Table 1.4). A main obstacle is that the most recent census in Kosovo was conducted 25 years ago. Other data figures were also based on approximations. For example, the values and methodology of assessing GDP have changed over the past few years (including baseline figures used in previous Human Development Reports), so direct comparisons are difficult to obtain. Therefore, the values used to assess the 2006 Human Development Index of 2006 are best considered as a snapshot of the current situation. They should not be taken as grounds on which to draw reliable conclusions about deterioration or improvement of human development in Kosovo over the last two years.⁴¹

Income index⁴²

The income index is based on GDP levels determined by international institutions. The value for Kosovo in 2006 was 0.603, a lower value than that measured in 2004 because projected GDP for Kosovo for 2006 is lower (see Table 1.2). Kosovo ranked last in the Balkans in 2006 (see Figure 1.13).



Life expectancy index

Due to the lack of reliable data, it was impossible to obtain a reasonably accurate value for Kosovo's life expectancy index in 2006. Therefore, the 2004 value was used for measuring the 2006 Human Development Index. This decision is based on the assumption that no changes occurred over the two-year period that would have a significant impact in the value of this indicator. Kosovo ranked last in the Balkans in 2006, at the same level as Turkey (see Figure 1.14).

| Index | Indicator | Measuring frequency | Value accuracy |
|----------------------------|---|---|--|
| | Gross domestic product (GDP) | Yearly | GDP measuring methodologies have changed several times and IMF had several different assessments of GDP. |
| Income index | Population | A census every 10 years and annual updates with SOK assessments | The most recent census in Kosovo was conducted in 1981, and SOK has been unable to release reliable updated figures due to significant and ongoing demographic movement. |
| | Proportion of adults over 15 years old who are literate | A living standards assess- ment every two to three years | Such a survey was implemented by UNDP in 2004. SOK has not included a survey of this kind in its statistical program. |
| Education index | Enrolment rates for primary, secondary and university education | Yearly | Ministry of Education and Science provides annual data, but not specific information regarding age groups. SOK has calculated the enrolment rates for 2004. |
| Life expec- tancy index | Average life duration | Yearly | It is difficult to measure this with accuracy because of the lack of data on population for each 5-years age group old and accurate number of yearly deaths by age groups |

Table 1.4: Data for measuring UNDP's Human Development Index for Kosovo



Education index

The approximate value of the education index for Kosovo is based on data from 2005 regarding attendance in primary, secondary and university education. The calculated value is 0.88, based on this value, Kosovo lower range in the Balkans (see Figure 1.15).



Human Development Index

Based on the calculated values for each of the above indexes, the value of Kosovo's Human Development Index for 2006 is 0.740. This value is slightly higher than in 2004, an improvement due primarily to the slight increase in the value of the education index (see Table 1.5). Although no accurate assessment can be made about changes over the past two years, a comparison of data over the period 2002-2006 indicates that in general, slight progress has been made on a human development level in Kosovo.

Table 1.5: Human Development Index for Kosovo44

| Year | Overall Human Development Index | | | | |
|------|---------------------------------|--|--|--|--|
| 2001 | 0.721 | | | | |
| 2004 | 0.734 | | | | |
| 2006 | 0.740 | | | | |

The overall 2006 value places Kosovo at the bottom of the Balkans region (see Figure 1.16).



Figure 1.16: Balkans rankings based on 2006 Human development

Human Poverty Index (HPI)

This index serves to measure human poverty, and is expressed through two components:

- (i) HPI-1, defined by UNDP as "a composite index measuring deprivations in the three basic dimensions captured in the human development index—a long and healthy life, knowledge and a decent standard of living"; and
- *(ii)* HPI-2, which is defined by UNDP as all elements of HPI-1 "and also capturing social exclusion."45

HPI-1 is typically used for developing countries (including Kosovo), while HPI-2 is used for developed countries.

Among the statistics used when measuring HPI-1 for Kosovo were the following: Over the past two years, 8.5 percent of people who died were under the age of 40,46 the adult illiteracy rate stood at 5.8 percent (about the same as in 2004), 26 percent of the population does not have access to potable drinking water,⁴⁷ and health indicators are the same as in 2004. Given these data, the value of HPI-1 for 2006 is 9.1 (see Table 1.6).

| Year | Percentage of population not surviving the age of 40 | Illiteracy rate | Proportion of population with no access to potable drinking water | Infant mortality | Proportion of underweight children | HPI-1 |
|------|---|-----------------|---|---------------------|--|-------|
| 2001 | 25.3 | 6.5 | | 3.5 | 4.1 | 17.6 |
| 2004 | 6.8 | 5.8 | 27.4 | 3.5 | 4.0 | 9.7 |
| 2006 | 8.5 | 5.8 | 26.0 | 3.5 | 4.0 | 9.1 |

Table 1.6: Human Poverty Index (HPI-1) for Kosovo (all numbers in %)⁴⁸

1.4 Priority policies and measures

A major objective of Kosovo development policies is to create optimum conditions and necessary opportunities for young people to make appropriate decisions at different stages of age transition and to participate meaningfully in efforts to improve conditions in Kosovo overall.

These objectives are best achieved through multisectoral policies and measures, some of which are not directly focused on young people. For example, the welfare of the entire population will benefit from economic growth bolstered by the speeding-up of reforms, efficient use of potential resources, rapid development of the private sector, an increase in foreign investment, and improvements in external trade balances. Yet even though these focus areas are not youth-specific, young people should be more thoroughly engaged in understanding them and helping devise policies to achieve them. They have the potential and creativity to identify new strategies and approaches.

At the same time, it is important to recognize the issues of specific interest to young people. Policy makers are likely to achieve more comprehensive engagement of youth throughout society if they place priority on improving their decision-making ability and opportunities. Other important measures could be geared toward fostering interethnic tolerance and mutual respect.

Like general policies, youth-specific ones should be integrated into the Kosovo Development Strategy and Plan 2007–2013, which currently is being drafted. The financial cost of priority measures, at least those projected to be funded by the Kosovo Consolidated Budget, should be included in the Medium Term Expenditure Framework 2006–2008 to create substantial implementation opportunities—especially because that budget document has not projected funding for such measures for 2007 and 2008.

Upholding the value of learning and working

A focus of priority developments in Kosovo, which has the youngest population in Europe, should be to create con-

ditions in which every young person can be in school or have a job.⁴⁹ To that end, all Kosovo government programs should include provisions and incentives designed to improve the education system and to facilitate young people's transition from school to work. Along with increasing employment opportunities, these policies should be considered governmental priorities that require the full support of Kosovo institutions and international donors. Useful developments might include the preparation of a legal framework that guarantees and stimulates employment; a review of existing reform strategies in the education and employment sectors, with the goal of defining clear and measurable medium- and long-term indicators to improve conditions in both sectors; and undertaking measures to ensure continuous financial support reform efforts.

Reliable statistics underpin effective policies

The ongoing delay in undertaking substantial statistical system reform seems to be more a matter of mentality than of funds. Establishing a new advanced data system as soon as possible should not be considered simply a sector reform. If it were, it could not compete for policy makers' attention alongside reforms aimed at strengthening the rule of law, reducing poverty, and improving population health-the financing of which is (rightfully) considered a high priority. Instead, the lack of an adequate data system should be viewed as a serious obstacle to Kosovo's progress across all sectors, and thus worthy of immediate focus. The overall development of Kosovo requires development policies and strategies based on the current realities in Kosovo. Such strategies are likely to be ineffective and inefficient if not grounded on accurate statistical data. Therefore, it may be better to construct a few less kilometres of roads and invest instead in the establishment of an advanced statistical system.

Monitoring policy implementation

Priority youth-friendly measures should be integrated into general and sector development strategies. These measures need to be monitored and updated during the implementation period to determine their validity, level
of engagement with relevant institutions, efficiency of funds disbursed, and results achieved. It is therefore necessary for this process to be overseen by the appropriate public institutions, notably the Ministry of Culture, Youth and Sports, and civil society, a sector in which youth organizations are common and influential.





Chapter 2

The Right And Opportunity To Education

2 The Right And Opportunity To Education

All Kosovo institutions and its society in general have an obligation to provide young people with the knowledge, skills and motivation to engage as successfully in life and work as possible. Ensuring youths' access to the fundamental right of a quality education is a major step toward achieving a prosperous and civilized future for all people in Kosovo, and to meet Kosovo's European aspirations.

2.1 Pre-university education

The parallel system: A difficult decade for education

Political developments in the 1990s directly influenced the education system in Kosovo. After local decision-making autonomy over education was abolished, the K-Albanian community created a parallel education system at all the levels, including university. Nearly half a million young people left the formal education system-some 360,000 students in primary schools, 81,000 students at secondary facilities, and 30,000 students at the University of Prishtina.⁵⁰ In this parallel system, students were taught outside of formal school facilities, usually in private houses, with funding provided through the collection of an informal tax among K-Albanian population as well as from Kosovo diaspora remittances. This parallel system, which continued until 1999, had many deficiencies. In general, the quality of education was relatively poor and breadth of subjects limited. Yet at the same time students were taught in their native language, a major change from the formal system.

This parallel system directly affected the lives of many of today's young people. Many of those educated in the under-resourced parallel system did not acquire sufficient knowledge to continue on to secondary school or for higher education. A significant percentage also left school completely unprepared to succeed in the labour market.

After the end of conflict, the parallel education system was formalized and much-needed reconstruction of school infrastructure was initiated. About 45 percent of schools were estimated to have been completely destroyed or damaged, with only 17 percent spared some kind of damage. Most schools lacked a water supply and sanitary equipment. The area around some 200 of them had been mined, which meant they could not be used again for education until a painstaking demining process was completed.⁵¹ From 1999–2001, about 1,000 school buildings damaged during the conflict were repaired or rebuilt completely.

One early education reform step undertaken after 2000 was the replacement of the traditional system with that used in most countries of the European Union. The new system includes nine years of compulsory education, the first five of which are primary education and the next four being categorized as low secondary education, followed by three or four years of high secondary education.⁵² This

Box 2.1 Quality of human capital

Education systems have a significant impact on the quality of human capital, which is characterized by innate skills and qualifications and knowledge gained through formal education, as well as by competence and experience gained at work. In turn, the quality of human capital has a direct impact on a Kosovos' economic growth. From a macroeconomic perspective, empirical evidence suggests that one additional year in education on average increases GDP by about 5 percent over a short-term period and about 2.5 percent over the longer term. This results from the higher productivity of more qualified workers and their ability to use more advanced technology. The quality of human capital is particularly important for regions and countries in transition because it enables them to face competition in the global labour market. (European Commission Report, 2002). Given this usual outcome, improving education quality and opportunities would be a valuable investment for Kosovo over the long run.

reform was implemented without being preceded or followed by required changes in educational content and curricula, however.

Under the reformed system, secondary education includes general secondary education, which lasts four years and

prepares students for university studies, and vocational secondary education, which lasts three or fours years. The three-year system of vocational education is meant to prepare students to enter the labour market immediately upon completion, while the four-year system provides students with the opportunity to continue university studies. greatly affected by comparisons with the mostly inferior parallel system they attended until 1999.

Interest showed in education

The lack of updated, official population data (including by age group) makes it difficult to gauge the percentage



Most young people have a largely positive perception of the quality of education in Kosovo (see Figure 2.1).⁵³ However, there are differences in this perception. The quality of primary, secondary and higher education is assessed to be "good", "very good" and "excellent" by 47 percent, 43 percent and 42 percent of young people, respectively. of young people attending school. However, the number of students has remained more or less at the same level since 2001 (see Table 2.1). The smaller number of secondary school students per year is mostly due to the increase in the number of pupils in mandatory education, which resulted from the education system reform.

Table 2.1: Number of students in pre-university education by year

| Education level | | | Number of student for ea | Number of student for each school year 2003/2004 2004/2005 339.680 327.618 | | |
|-----------------|-----------|-----------|--------------------------|--|--|--|
| | 2001/2002 | 2002/2003 | 2003/2004 | 2004/2005 | | |
| Mandatory | 307.517 | 315.089 | 339.680 | 327.618 | | |
| Secondary | 93.502 | 86.830 | 72.635 | 70.183 | | |
| Total | 401.019 | 401.919 | 412.315 | 397.801 | | |

Source: MEST, 2005

Those assessing quality as "relatively good" accounted for an additional 31 percent (primary education), 33 percent (secondary) and 24 percent (higher). Overall, therefore, at least two-thirds of respondents assessed the quality of each education level as being on some continuum of "good".

It should be noted in these assessments that young people's perceptions of the current education system are For pre-university education in the 2004–2005 school year, a total of 422,746 students (including those in pre-school education) attended 1,091 schools (see Table 2.2). Over 99 percent were enrolled in public schools. The number of private schools in pre-university education is still very small because:

- (i) most families cannot afford private-school fees, which generally exceed 100 euros (US\$ 130) a month per student; and
- (ii) teaching quality is considered to be low compared with public schools. Many parents who can afford to pay and who have registered children in such schools say that are not satisfied because grading is not objective and students often receive good grades without much effort.⁵⁴ Only one in three young respondents assesses the quality of private schools (including universities) as being "good" or "very good".⁵⁵

relatively high for the region. It is also concentrated in certain sub-populations, including people older than 65 (many of whom had limited access to education when they were young) and among the RAE community, of whom 24.4 percent are classified as illiterate according to a recent survey.⁵⁷ This extremely high rate stems directly from the relatively low primary education enrolment rate for RAE children. As long as these linked negative phenomena persist, a great number of people in this community will have limited access to higher education and the job market.

| | | | Students | | | Schools |
|-----------------|---------------------|-------------------|----------|--------|---------|---------|
| Education level | Public education | Private education | Total | Public | Private | Total |
| Pre-school | 24.672 | 273 | 24.945 | 32 | 5 | 37 |
| Mandatory | 327.207 | 411 | 327.618 | 944 | 3 | 947 |
| High secondary | 69.760 | 423 | 70.183 | 103 | 4 | 107 |
| Total | 421.639 | 1.107 | 422.746 | 1.079 | 12 | 1.091 |

Source: MEST, 2005

Primary education

Primary education is particularly important because it lays the groundwork for students' interest in school and learning throughout his or her life. When students' curiosity and engagement are piqued regularly at a young age, they are likely to maintain such assets into higher education and then into adulthood—and thereby be more inclined to contribute constructively to economic and social development. Achieving such positive school experiences relies on factors such as quality instruction, consistent attendance and adequate facilities.

Inclusion in mandatory education

Available data on mandatory education in Kosovo show improved enrolment patterns. In 2003, more than 95 percent of the applicable age group population was enrolled in school (see Table 2.3). Enrolment rates are highest among the K-Albanian and K-Serb communities, yet are much lower among other ethnic groups (particularly RAE).

Yet despite recent improvement, enrolment rates in primary education remain lower than in most of Western Europe.⁵⁶ Closing the gap should be a major priority because school enrolment is directly linked with illiteracy. Kosovo's overall illiteracy rate is 5.8 percent, which is

Table 2.3: Enrolment rate in primary education (2003–2004)

| Ethnicity | Enrolment norm (in %) |
|---|--------------------------|
| K-Albanians | 96.6 |
| K-Serbs | 95.2 |
| Others | 86.6 |
| All | 95.4 |
| Ratio of girls in rela- tion to boys | 92.0 |

Source: SOK, 2004

However, studies also reflect much more alarming data about illiteracy in Kosovo, including among young people. In rural areas, for example, about 9.5 percent of females aged 16 to 19 are estimated to be illiterate; moreover, one in four young women in those areas has very limited knowledge of reading and writing.⁵⁸ Besides limiting their social and economic options, this low level of development has direct implications on their parental skills, which then can affect (usually negatively) their children's development.

Dropping out of school

Although there are no accurate data on school abandonment, different analyses of the education system in Kosovo suggest that this phenomenon occurs in primary education, especially in rural areas. It is also more common among girls than boys.

As noted in (Table 2.3), the number of registered girls is smaller than that of boys—and the ratio of girls' enrolment in relation to that of boys is 0.92. More thorough analysis shows major differences per year in school. For example, girls' enrolment is almost at the same level as that of boys in first years of primary education. But in the last two to three years, particularly in schools in rural areas, the ratio begins to decrease. The reasons have less to do with girls not wanting to continue attending school than with traditional customs. But regardless of the reason, the result is that fewer girls than boys continue on to secondary education.

Research data suggest that 4,141 primary education students (about 1.17 percent of the total) droped out of the school.⁵⁹ The reasons they leave include lengthy distance between home and school, transportation difficulties, the family's need for an extra pair of hands for work purposes (on private farms), and the perception of some parents and young people that school does not bring any important advantages.

Box 2.2 Quality of primary education in developing countries continues to lag

Despite progress in basic education in developing countries, preparation of youth for labour markets and for life in general remains substandard in most of them. That is because necessary reforms in primary education are implemented much too slowly to reflect the skills and knowledge required for a rapidly globalizing world. Instead, the primary objectives of developing countries until now have been on increasing the number of students with access to education than improving the level of their knowledge.

----WB, World Development Report 2007

Another not uncommon phenomenon—although one for which no accurate data exist—is that some students fail to obtain sufficient reading and writing skills even though they continue to attend school. This phenomenon results from factors including a lack of motivation to learn, a poor or chaotic school environment, and indifference among teachers and parents. The main consequence is increased illiteracy, regardless of the reason.

Class size

The average number of students per classroom in mandatory education in Kosovo is 24.5. The number is larger in urban areas and, particularly, in towns experiencing high levels of internal migration. In those areas, classrooms are packed with students, with the number often exceeding 40 per classroom. Average space per student in 2005 in Kosovo was 0.4-0.8 m²/student, compared with 1.8 m²/student, which is the standard of Kosovo. Data indicate that in 50 percent of schools this figure is even more restrictive, at 0.2-0.4 m²/student. In a number of schools classes are held in three or four shifts, despite the fact that MEST mandates that classes be held in no more than two shifts.

Part of the problem is that schools are not yet prepared to meet the requirements of the new mandatory education system, which extended by one year the length of time students are expected to stay in primary education. As part of a temporary solution to the overcrowding, some schools have transferred ninth grade classes to secondary school buildings (if space is available).

Of course, adequate infrastructure alone does not determine a school's quality. Also needed is quality instruction and a solid psychosocial environment that nurtures students' interests.

The curricula reform debate

The content of curricula is one of the most fundamental issues that all involved in pre-university education in Kosovo must consider. The traditional sys-

Box 2.3 Two different approaches to curricula reform

Preparation of the Kosovo Curriculum Framework raised debate on two key issues:

(i) Where should curricula reform start? Ultimately, it was decided to begin drafting new curricula for the ninth grade of primary education, for the 2002–2003 school year, and then continue with grades 1, 6 and 10, concluding later with other grades. Curricula reform reached grades 4, 5 and 13 in the 2005–2006 school year. Outside experts were puzzled by the decision to follow this order. According to them, horizontal and vertical stretching of curricular contents prepared in this way is not coherent and content is repeated from one grade to another.

(ii) Which institution should be responsible for implementing the reform? The curricula reform process is coordinated by the MEST Curriculum Group. Curricula are mainly drafted by three experts, two of whom are university teachers of the subject and one a teacher directly involved in teaching the subject at the level in question. Experts in the field agree that although curricula reform should be coordinated by the ministry, it should be the responsibility of separate institution to direct, implement, and regularly assess curricular reform in order to ensure its compliance with European standards. At the time this report was being prepared, however, the institution expected to undertake this role, the National Council of Curricula and Textbook, had not been established due to lack of funds. tem focused primarily on the type and number of subjects taught. Recent changes seek to make education more results-based, which emphasize assessing the quality (and not only quantity) of learning.

This transformation presents great challenges, and it has rolled out quite slowly. The initial post-conflict focus on replacing the parallel education system and then on rebuilding school infrastructure caused delays in reforming curricula and other education process elements that are priorities of the MEST agenda.

The drafting of the new Kosovo Curriculum Framework in 2001 was also the first concrete step toward creating a new education system in Kosovo. The reform process and objectives for mandatory education were outlined in the Kosovo Education Development Strategy for 2002–2007. That strategic document aimed to refocus the education system on content and learning quality, with reform cantered on four main pillars: curricula, textbooks, teacher training and assessment. Although it has not been adopted by MEST, the new Curriculum Framework is considered to be a high-quality effort to determine goals, objectives, and curricular and inter-curricular principles of education development.

The Framework seeks to standardize teaching topics as well as learning objectives and results. It calls for about 80 percent of curricula content to be the same at similar levels across Kosovo, with individual schools having autonomy over 10 percent to 20 percent of content only.

The implementation of the Framework's curricula reform has been delayed by three main obstacles to date:

- (*i*) *unprepared teachers*. Most teaching staff have not been trained on how to implement the new curricula, and many have yet to understand their responsibilities and the assessment criteria that need to be met;
- *(ii) lack of funds.* Delegation of responsibilities to prepare curricula for selected subjects was not accompanied by sufficient funds to pay experts involved in the process; and
- (iii) *lack of objectivity in subject selection*. The selection of mandatory subjects has been less objective than anticipated. Instead, there has been extensive support for maintaining existing pedagogical staff, regardless of their specialization. This lack of flexibility prevents the easy inclusion of new subjects, a situation exacerbated by insufficient equipment and qualified instructors for increasingly popular subjects such as information technology (IT). (In general, this obstacle stems from the inability of regional

education departments to meet their responsibility to determine a curriculum framework for optional subjects.)

Box 2.4 Results from assessments of students' knowledge

According to regional statistics, the average pass rate for the 2002–2003 school years in grades 1-5 in Kosovo was 89.14 percent; in grades 6-9 it was 75.04 percent; and in grades 10-12 it was 86.08 percent. The combined average pass rate was thus computed as 83.42 percent. The following year, however, the pass rate at the end of the ninth grade was 30 percent lower. This decline points to serious, lingering problems related to insufficiently prepared teachers and low student motivation, among other factors. (Note: Data are drawn from Draft Education, Science and Technology Development Strategy and Plan 2007–2013, prepared by MEST, 2006)

It is worth noting that ongoing discussions and debates regarding school curricula have been dominated by education specialists and public employees. Few if any young people have been consulted, whether they are currently attending school or have recently completed mandatory education. This indicates that decision makers are focusing on technical matters only and see no need to involve those most directly affected by their decisions. Such a short-sighted focus could negatively impact students' interest in education and, more broadly, their belief that their opinions are valued in society.

High secondary education

High secondary education has two complementary objectives: to consolidate and expand upon knowledge attained during primary education years, and to help students determine a possible career and the steps they need to take toward it.

The second objective is often overlooked in developing countries, however. In many of them, high secondary education continues to be considered merely as a link between mandatory and university education. This focus limits opportunities to more directly prepare students for entering the labour market at this level.

Although considered part of the developing world, Kosovo is an exception to that trend. In the 2005–2006 school year, some 70.000 students attended high secondary education in 107 secondary schools (see Table 2.2), and more than half of them—56 percent—were enrolled in the vocational education system. On the one hand, this indicates that the education system is taking seriously its role of preparing youth for the labour market. On the other hand, it can also be seen as an indictment of the quality of the mandatory education system, given that a majority of its graduates are not necessarily seeking or prepared for university-level education.

Inequality of inclusion in secondary education

For the 2003–2004 school year, 75.2 percent of those eligible for secondary education were enrolled in Kosovo (see Table 2.4). That marked an improvement from the 59.5 percent enrolment rate for the 2000–2001 school year.⁶⁰ However, the ratio of females to males at this education level is much lower than in mandatory education (0.79 in comparison to 0.92). Young women's ability and inclination to continue attending school after primary education are affected by traditional customs, especially in rural areas, and other factors such as marrying at a young age.

By ethnic groups, the secondary education enrolment rate is highest in the K-Serb community, at 96.3 percent. The lower level of K-Albanian youth inclusion in high secondary education, at 78.3 percent, is the result of the legacy from the past and high percentage of people living in rural areas, where enrolment is lower in general.

Table 2.4: Secondary education enrolment rate (2003-2004)

| Ethnicity | Enrolment rate in % |
|---|------------------------|
| K-Albanians | 78.3 |
| K-Serbs | 96.3 |
| Others | 41.7 |
| All | 75.2 |
| Ratio of girls in comparison to boys | 79.0 |

Source: SOK, 2004

The situation is much worse among members of other ethnic communities. In the 2003–2004 school year, just 41 percent of eligible youth were attending secondary education facilities. The RAE community has the lowest participation, for reasons connected to:

- (i) *the low inclusion rate of children* from this community in mandatory education and a *high drop-out rate* in low secondary education. These trends are influenced by traditional cultures in which education plays a limited role, the economic benefits accruing when young people work at an early age, and the lingering belief among many that education does not bring any advantage to children;
- (ii) the comparatively low quality of education obtained by RAE children during mandatory education. Many of them subsequently are unprepared for secondary education or feel intimidated at the prospect; and

(iii) *early marriages*, which are more typical in this community (especially for young women).

Number of students per teacher and per classroom

The indicator of average number of students per teacher in high secondary education in Kosovo is comparable with other countries (see Table 2.5). The average number of students per classroom, 29.2, is a also considered decent.

Table 2.5: Student/teacher ratios

| | Student/teacher indicator by level of education | | | |
|---------------|---|---------|-----------|--|
| | Pre-school | Primary | Secondary | |
| OECD average | 14.9 | 17 | 13.9 | |
| Kosovo | 33 | 20 | 14 | |
| Hungary | 11.4 | 11.3 | 12.5 | |
| Romania | | 15 | 12.9 | |
| United States | 14.9 | 16.3 | 14.8 | |

Source: OECD, Education at a Glance, 2005. Global Education Digest 2005.

However, there is a big difference within secondary schools, particularly between urban and rural areas. In cities there are secondary school classrooms with more than 40 students apiece; as anywhere else in the world, it is difficult to provide quality education in classes of that size.

Quality of teaching

The new Kosovo Curriculum Framework has begun to be widely implemented throughout the high secondary education level. The process is not yet having a significant impact on education quality, however. One reason for the lag is that curricula modernization progressed much faster than reforms in teaching methods. The MEST and a significant number of donors are trying to rectify this situation by organizing teacher trainings; in the past four years, about 60 percent of teachers have participated in such trainings.⁶¹ Unfortunately, those trainings are not considered particularly useful because they are more general in nature and are not directly connected with curricula improvements.

The quality of teaching is also affected by the fact that teachers' salaries are relatively low, which acts as a disincentive for energetic and qualified individuals. The average teacher salary in 2004 was 166 euros (US\$ 218) a month, compared with an average salary of 189 euros across the overall public sector.⁶²

Vocational education system

Kosovo's vocational education system consists of 56 secondary vocational schools with three- and four-year programs. Upon completing a three-year program, a student becomes a semi-qualified worker, whereas a student is considered to be a qualified worker upon completion of a four-year program. The four-year program is new, having been initiated in the 2006–2007 academic year. It was created for two reasons: to give students the opportunity to learn more important skills, and to increase their chances of passing a newly introduced exam to be able to get into university.

Vocational education continues to be quite popular among secondary education students. More than half of all students at that level opt for vocational education (see Table 2.6).

Table 2.6: Students in vocational education schools, 2002–2005

| | Number of students by school year | | | | |
|---|-----------------------------------|---------------|---------------|---------------|--|
| | 2002- 2003 | 2003- 2004 | 2004- 2005 | 2005- 2006 | |
| Total number of students in vocational education schools. | 47.024 | 43.162 | 36.275 | 40.819 | |
| Vocational education as part of the total number of students in secondary education. % | 54.2 | 59.4 | 51.7 | 54.5 | |

Source: SOK, 2006

Note: The considerable decrease in number of students after 2003–2004 is mainly linked to the introduction of the nine-year system of mandatory education.

About 41,000 students in eight different profiles and one mixed profile were enrolled in secondary education in the 2005–2006 school year. The largest number of students were enrolled in technical schools (45 percent of total), with 23 percent in economic schools (see Figure 2.2). Females comprise about 35 percent of youth registered in secondary vocational education. It is worth noting the small number of young people studying agriculture, even though most of the rural population is employed in that sector. The simple explanation is that most young people do not see agriculture as a viable or lucrative career, and most of them would prefer to seek employment in cities rather than rural areas.

Efforts have been made to better adjust vocational education to labour market demand. Toward that goal, 12 vocational fields were identified and curricula developed for 60 profiles.⁶³ Particular attention was paid to ensuring greater access to schools in the community and seeking

Figura 2.2: Vocational education of students by profile



Source: SOK, 2006

partnerships with private- and public-sector employers in the region. Employers' input helps identify current and future needs in terms of worker skills and expectations.

Despite the progress that has been made, the vocational education system in Kosovo has numerous lingering deficiencies, including the following:

- the vocational education system continues to be a traditional system focused more on inputs than on results (i.e., what students learn);
- (ii) links with the labour market are still weak i.e. there is a lack of dialogue and partnership with private sector in terms of apprenticeship programmes;
- (iii) Vocational education is funded mainly from the Kosovo Consolidated Budget, with only limited funding assistance from the private sector or industry partnerships that benefit from qualified workers;
- (iv) licensed private vocational schools, which are funded by student fees, are limited in number;
- (v) no institutions exist that focus on the vocational development of students who complete general secondary education yet are not able to enter the labour market immediately. High vocational education schools once existed to serve that purpose by offering two-year courses. However, they have been transformed into three-year courses of applied sciences at the University of Pristina and focus on preparing graduate students (like any other faculty of the higher education);⁶⁴ and
- (vi) the vocational education and training of adults is very limited. Legislation allows secondary vocational schools to offer courses for adults free of charge, but they serve more as an opportunity to get a degree by students who have left school earlier, rather than as an opportunity for youth to prepare for different careers.⁶⁵

2.2 Higher education

Resurgent participation

Established in 1970, the University of Pristina is the main university in Kosovo. It is divided into 17 faculties that prepare specialists in 57 different profiles overall. Postgraduate studies are provided by 14 faculties in about

Box 2.5 European qualification policies

At a special meeting in Lisbon in 2000, the European Council set a new strategic goal for the European Union to strengthen, over the subsequent decade, employment, economic reform and social cohesion as part of a knowledge-based economy. Given the prediction that in 2010 only 15 percent of jobs in the EU could be filled by people with basic education—with the remaining 85 percent requiring individuals with secondary and university—the Education System Reform and Vocational Education and Training (VET) was considered a priority measure to achieve the Council's objective.

The priorities identified were investment to increase VET quality; an increase in the number of highly gualified professionals to meet demand; stimulation of permanent vocational development, which currently is the weakest link in the lifelong learning process; additional training for underqualified workers; and greater labour-force mobility in the overall European market. The Bologna and Copenhagen Processes were the two tools developed to reform education and VET, respectively. Establishment of the European Qualifications Framework (EQF) was deemed to be a necessary measure to facilitate the transfer and recognition of qualifications across the continent. The Framework functions as a reference point for assessing and disseminating results as well as ensuring guality. To that end, it has eight reference levels that are based on each level's knowledge, skills and competencies. EQF is neutral toward EU member-states' national gualifications frameworks, but their compliance and harmonization benefit workers in each territory.

30 profiles. In recent years, a university for instruction in Serbian was established in northern Mitrovicë/Mitrovica, and about 10 private universities now exist in Pristina.

The number of higher-education students at the University of Pristina has fluctuated significantly since 1970 (see Figure 2.3). There was a decrease in the period 1990–1999, which coincided with the parallel education system. After that period ended, the number of students began rising every year.

Figure 2.3: Number of students enrolled at the University of Pristina (by academic year)⁶⁶



In the 2003–2004 school year, the number of enrolled students totalled about 25,200, which represented about 1,440 students per 100,000 inhabitants. This indicator is one quarter of the level in Slovenia, less than one half of the level in Macedonia and two thirds of the level in Albania. The number of enrolled students also equalled about 12 percent of the entire population of the 18-25 age group that year; that higher-education inclusion rate is about four times lower than the average of OECD countries.⁶⁷



Such a low inclusion rate seems counterintuitive at a time when clear evidence indicates rising interest in higher education among young people. The problem is that there is insufficient capacity to accommodate all who want to enrol. As a result, the University of Pristina can enrol only one in three applicants. Two thirds of young people who want to pursue higher education must either find another (usually unaffordable) option or give up their dream of attending university. Competition for admission being what it is, most young people believe decisions regarding who is accepted are not made objectively. More than half (53.8 percent) of youth surveyed think that admission to the university is not based on applicants' knowledge (see Figure 2.4). This opinion is shared by about 84 percent and 80 percent, respectively of K-Serb and RAE youth.⁶⁸



The majority of young people surveyed also believe that paying bribes is necessary to be admitted to the University of Pristina. That perception is greatest among K-Albanian youth (57.2 percent) (see Figure 2.5), but much lower among youth of K-Serb and RAE communities—at about 28 percent and 34 percent, respectively.⁶⁹ Although most young people acknowledge that there have been improvements in the university's admissions process in recent years, they still believe that decision-making is mostly subjective. Moreover, they assume that students admitted through favours continue to receive them throughout their university tenure—which, if true, undoubtedly has a negative impact on the overall quality of graduates.⁷⁰

Young people from families of limited resources, especially those who live outside Pristina, also find it particularly difficult to attend the university. Although tuition is free, many parents cannot afford associated costs and fees, such as those for books and lodging.⁷¹

The number of higher-education graduates also fluctuated wildly over the past 15 years, largely because of the parallel education system in place in the 1990s. Thus the number of graduating students declined from around 2,200 students a year during the decade between 1980 and 1990 to approximately 1,000 students a year today.

The sharp drop in university graduates coupled with the poor quality of the parallel education system continue to have serious repercussions for both young people and the labour force in general. Because of Kosovo's "lost generation period"⁷² in terms of education, Kosovo fares poorly in terms of the size of its skilled workforce. Only about 13 percent of all people (18 percent of men and 8 percent of

Box 2.6 Bologna process

The Bologna Process for higher-education reform is based on following main principles: (i) adjustment of comparative system of scientific titles, in order for them to be easily recognized anywhere; (ii) adoption of a system based on two main uiniversity cycles (3+2 system) that conclude with a bachelor's degree for the first cycle and a master's degree for the second cycle; and (iii) establishment of credit system in education, in compliance with the European Credit Transfer System (ECTS), as a proper tool for free movement of students from one university to another.

women) aged 25 to 64 in Kosovo have completed higher education. These figures place Kosovo at the low end in comparison with its Balkan neighbours.⁷³.



Reform challenges

The new vision for education development in Kosovo centres on its integration into European higher education in general. In this model, knowledge and scientific research are aimed at sustainable cultural, social and economic development.⁷⁴ To achieve this goal, the Kosovo higher-education system must undertake two broad steps:

- (i) *build greater capacity*, so as to provide youth with greater opportunities to pursue university studies under conditions of full and functional infrastructure and to compensate for the relatively small number of graduates during the 1990s; and
- (i) initiate sweeping curricula reform and radical quality improvement. Both steps are necessary to help students meet new labour market demands and to integrate Kosovo into the European higher-education system, in compliance with principles of the Bologna Process.

Box 2.7 Students identify key shortfalls in university experience

"Student-teacher relationships should change. Students should have more opportunities to express their opinions and comments about the subject and make suggestions about education processes and conditions. We feel the need to learn things that can be implemented in practice, because we are not competitive in the labour market. We study many things in the faculty of economy, but we believe that little of what we learn is applicable in practice. Private universities are better at this. Their students learn how to prepare a CV and how to provide answers in a job interview, which are things not taught in the public university."

- From a roundtable discussion with students at the University of Pristina, August 2006.

The importance of improving quality and more rapidly adjusting curricula to labour market demands is directly linked to boosting graduates' employment opportunities. Business community representatives say that in general, the quality of today's students does not meet their needs and requirements. The situation is little different in private universities, they add, because such institutions focus more on the number of students rather than on the quality of instruction.⁷⁵

Success in achieving these important reforms is predicated on the improvement of higher-education management and the availability of necessary financial and human resources.

Studying abroad

An unspecified number of students pursue their higher education abroad, most of them in universities in developed countries. More than half (56 percent) of Kosovo youth surveyed believe that paying to study abroad is an indulgence and amounts to economic discrimination. Yet at the same time most acknowledge that students educated abroad are better prepared than those who graduate from the University of Pristina and, consequently, are more likely to get employed in Kosovo (see Figure 2.6 and 2.7)⁷⁶.



Education for minorities: Integration and division

Education in Kosovo is offered in five languages: Albanian, Serbian, Bosnian, Turkish and Croatian. Minorities attend classes held in the language of the area in which they live. By far the most are instructed in Albanian, with the next two largest (although much less common) languages being Serbian and Bosnian. The K-Serb community currently is not integrated into the Kosovo education system. The most recent data on K-Serb minority education pertain to the 2003–2004 academic year; no schools for this minority have since reported any data to Kosovo institutions.⁷⁷

Box 2.8 Facilitating minority education

A range of measure were undertaken after 1999 to improve minority education, including access to different languages. Education in Bosnian language is possible at the primary and secondary education levels. The necessary textbooks are obtained from Bosnia and Herzegovina and distributed to students free of charge. In September 2005, textbooks for ninth grade of education in Bosnian were introduced. Those books and seven textbooks in Turkish were based on the new Kosovo-wide curricula. Also, a faculty of business in the Bosnian language was opened in Peja/Peć during the 2002-2003 academic year , and a faculty of education was opened in Prizren in 2003-2004 in the Bosnian and Turkish languages. Also, beginning with the 2004–2005 academic year, enrolment in the University of Pristina was made easier by establishing guotas for Bosnian, Turkish and RAE minorities.

The University of Mitrovica, where all instruction is in Serbian, was established in 2001. It prospered initially because of significant investments in building the necessary infrastructure and through the introduction of numerous education reforms. In 2004, the university was required to integrate into the Kosovo legal framework. Instead of doing so, however, it discontinued all connections with the Kosovo government and its educational system. Ever since, the University of Mitrovica has been isolated internationally, even as it has continued to be funded by the Government of Serbia. It has between 4,000 and 5,000 students. Youth from the K-Serb community do not study at the University of Pristina.

The current situation is not sustainable from any perspective. The best option for the University of Mitrovica's future would be to integrate it into the higher-education system of Kosovo while simultaneously guaranteeing the higher-education rights of the K-Serb minority and the continuation of many of the institution's links with Serbia. Other potential outcomes might include turning it into a public university that functions according to Kosovo legal framework yet maintains a level of autonomy or treating it as a private institution funded by donors⁷⁸

Any decision made with respect to the University of Mitrovica should be driven by cost effectiveness as much as possible. That criterion is particularly important because it costs as much to operate as the University of Pristina yet serves only about 8 percent of Kosovo's population.

In order to better address the interests and requirements of minority youth, higher education, like the entire Kosovo education system, needs to focus more on integration rather than division and always respect international standards on minority rights. As such, it would help improve interethnic relations, increase social cohesion, and better ensure equal opportunities for young people throughout the public and private sectors, whatever their ethnicity.

2.3 Investing in education

Funding sources and expenditures

The Kosovo education system is funded from six sources: (i) the central budget, both directly and through targeted transfers to municipalities; (ii) revenues generated by municipal governments; (iii) international donors through a consolidated Public Investment Program as well as other projects; (iv) parents' contributions; (v) income from student fees; and (vi) transfers from the Serbian government in Belgrade (for schools attended by K-Serbs). The Kosovo Consolidated Budget is by far the largest source, accounting for more than 97 percent of funding provided for education. Of that amount, 99 percent comes from the central government directly.79

Total annual expenditures for education did not change

significantly during the period 2000–2004. In 2004, they totalled about 108 million euros (US\$ 142 million) (see Table 2.7). Two important factors affected education spending in general:

- drastic reduction of contributions from interna-(i) tional donors. Their assistance through the Public Investment Program amounted to 2.15 million euros (US\$ 2.8 million) in 2004, some 20 times less than provided in 2000. This relates to the fact the Public Investment Program was focused mainly on postconflict reconstruction and rebuilding, not with continuing support; and
- (ii) a commensurate big increase in direct support from the Kosovo Consolidated Budget. In 2004, this contribution amounted to about 105 million euros, about twice the level in 2000.

This increase in contributions from the Kosovo Consolidated Budget does not necessarily mean that the Government of Kosovo considers the education system a more pressing priority. In fact, the percentage of total government expenditures allocated to education actually declined from 20 percent in 2000 to about 14 percent in 2004. (In all fairness, this decrease in percentage may result at least in part from the fact that a greater number of publicsector services are now funded directly from the central budget. Yet even so, the decline represents a reduction in investment on Kosovo's youth.)

Education expenditures in relation to GDP also fell from 2000 to 2004, to 4.25 percent and 5.51 percent, respectively (see Table 2.7). The level is on par with countries that joined the European Union most recently prior to 2007; their annual spending on education amounts to between 4 percent and 5 percent of GDP.80 Moreover, the "weight" of education expenditures-their proportion of total public budget

| Funding source | | | | Expe | nditures by year |
|------------------------------|-------|-------|-------|-------|------------------|
| runding source | 2000 | 2001 | 2002 | 2003 | 2004 |
| Kosovo Consolidated Budget | 55.74 | 59.35 | 69.47 | 85.19 | 105.16 |
| Donor grants | | 1.79 | 1.61 | 0.60 | 0.71 |
| Public Investment Program | 40.61 | 26.63 | 24.56 | 9.87 | 2.15 |
| Total | 96.35 | 87.76 | 95.64 | 95.66 | 108.02 |
| As % of GDP % | 5.51 | 3.62 | 3.85 | 3.83 | 4.25 |
| Kosovo Consolidated Budget % | 3.19 | 2.45 | 2.8 | 3.41 | 4.14 |
| Donor grants % | | 0.07 | 0.06 | 0.02 | 0.03 |
| Public Investment Program % | 2.32 | 1.10 | 0.99 | 0.40 | 0.08 |
| Source: MFE, 2006 | | | | | |

Table 2.7: Education expenditures by year (in million euros and in %)

expenditures, which was about 14 percent in Kosovo in 2004—is also broadly the same as the 13 percent average in those countries. However, since Kosovo has the highest rate of school age population in Europe, the Pre-university Education Strategy 2007–2017 provides for an increase of the "weight" figure in Kosovo to about 16 percent by 2009.

A major issue to keep in mind when comparing Kosovo with the new members of the EU is that the objective of the expenditures is not the same. For the most part, those nations' governments are providing funds to maintain and improve centuries-old and consolidated education systems. Kosovo, meanwhile, is essentially building a completely new system from scratch. Also, funding from state budgets in those countries represents only one part of overall education system expenditures, which also include income from various other funding schemes involving public and private partnerships or direct support from outside the public sectors. Such additional funding sources are essentially nonexistent in Kosovo.

Operational expenditures dominate

An analysis of the expenditure structure in pre-university education in Kosovo shows that 95.6 percent of expenditures are operational (see Figure 2.8 and Table 2.9). Salaries alone comprise 86.6 percent of all operational expenditures.

In the countries that recently joined the European Union, operational expenditures add up to 92.5 percent of total expenditures, while salaries comprise 72.9 percent. These data indicate that capital expenditures — the part of overall education expenditures not categorized as operational—in Kosovo's education system are relatively low. This situation is particularly problematic given the ongoing need to finance educational infrastructure, especially in urban areas.







Although the largest share of funds is spent on salaries for education system employees, their salaries nonetheless remain quite low (see Table 2.8). As a result, many teachers are not only poorly motivated, but they have one or more additional jobs so as to make a reasonable living. The quality of instruction subsequently suffers, and many of the most qualified personnel—notably university professors—have little time or inclination to focus on research and other important non-teaching aspects of their jobs.⁸¹

Expenditures on essential reforms aimed at improving the quality of education and strengthening teaching capacities are very low. As such, the current expenditure structure seems more geared for survival funding than for genuine development.

Expenditures at different levels of education

In (Table 2.9), Kosovo expenditures at different education levels are compared with those of transitional and more developed Western countries. Kosovo spends 79.7 percent of its education budget on pre-university education, a higher share than either the transitional countries (76.6 percent) or the developed ones (71.4 percent). As such, the proportion of overall education expenditures spent on higher education in Kosovo is far lower.

| | Operational expenditures (% of total education spending) | Capital expenditures (% of total edu- cation spending) | Salaries' ratio (%) within operational expenditures | Ratio of other (non-salary) operational expenditures |
|--------------------------|--|---|---|--|
| | | | Pre-unive | rsity education indicators |
| Kosovo (2004) | 95.6 | 4.4 | 86.6 | 13.4 |
| EU-15 (2002) | 92.7 | 7.3 | 81.5 | 18.5 |
| Newest EU members (2004) | 92.5 | 7.6 | 72.9 | 27.1 |
| | | | H | High education indicators |
| Kosovo (2004) | 82.1 | 17.9 | 48.9 | 51.1 |
| EU-15 (2002) | 88.6 | 11.4 | 68.2 | 31.8 |
| Newest EU members (2004) | 89.0 | 11.0 | 56.9 | 43.1 |

Source: MFE, OECD 2005

| | Pre-school and mandatory education | Secondary | High |
|--------------------------------------|--|-----------|------|
| Kosovo | 79.7 | 79.7 | 14.5 |
| Transitional countries | 32.7 | 43.9 | 19.4 |
| Countries with high development rate | 35.8 | 35.6 | 24.5 |

Source: UNESCO, 2005

Expenditures for compulsory and higher education in Kosovo are not listed separately in Table 2.9 because such data do not exist. Since 2002, when responsibility for preuniversity education was handed over to municipalities, expenditures have not been broken down separately for mandatory and secondary education. This method is not optimal. Not only does it not comply with the standards used by most countries, but it limits institutions' ability to properly analyze the needs of—and extent of support provided to—two quite distinct education levels.

Expenditure efficiency

Ensuring the efficiency of educational expenditures in Kosovo is crucial given the limited financial resources.

The cost of educating one pre-university student per year in Kosovo ranges from 150 to 200 euros (US\$ 197 to US\$ 263) in the areas mainly inhabited by K-Albanians. This cost is much greater (250 to 450 euros) in areas with a significant K-Serb community. Student-teacher ratios are the main determining factor in these costs. The ratio is higher (19:1) in K-Albanian majority schools than in schools serving mostly ethnic minorities (14:1). There are also major differences in ratios between students and educational support staff in K-Albanian majority schools compared with those serving the K-Serb community. As these are only average indicators, they can differ significantly depending on urban or rural areas and even from school to school.

These data could conceivably be improved by the adoption of three key measures to boost the Kosovo education system's efficiency: decentralization of education, greater autonomy of educational institutions, and strengthening of management capacities.

The education system was relatively decentralized from 1974 to 1990. During that period, individual schools were responsible for the quality of education and creating an appropriate learning environment. Overall, municipalities were responsible for pre-university and primary education, with the central government responsible for higher education. In 2000, shortly after the decade-long parallel education system was abandoned, the Department of Education Science and Technology was established, which had the effect of centralizing the system. Schools were deprived of the right or responsibility for financial management as well as personnel decision-making. For example, a central-level committee (composed largely of MEST staff) took over responsibility for appointing principals, and the appointment of individual teachers was delegated to municipalities' education directorates. The result is that schools do not have concrete and direct responsibilities for ensuring or maintaining education quality. Moreover, municipalities do not receive education funds from the central government based on important factors such as the number of students, ethnic composition and population density. The result is that neither individual schools nor municipal authorities are empowered to seek greater efficiency in expenditures.

2.4 Priority policies and measures

Education as a priority issue

An educated population is vital to every society's overall social and economic development, including that of Kosovo. Therefore the issue of education should not be considered simply through the lens of preparing youth for the labour market or as the sole responsibility of students' families and educational institutions. Instead, adequately educating young people requires the committed support of the entire society as well as the governing structure's recognition of its rights and responsibilities to that end.

Education strategies and plans introduced in Kosovo

Among the strategic documents drafted in recent years that at least partly address education issues in Kosovo are the following: Pre-university Education Strategy 2007-2017; Planning Strategy for the Development of Education, Science and Technology 2007–2013; High Education Development Strategy in Kosovo 2005-2015; Strategy for the Education of Rural Population; Gender Strategy; Youth Policy of Kosovo; and Kosovo Development Strategy and Plan 2007–2013. For the most part, the educationrelated elements of these strategies were not coordinated, and little effort has been made to measure their effect. A more useful education reform strategy would include clearly defined priorities accompanied by closely monitored targets for successful implementation (and including financial implications). The selection of such measures should be made in consultation with experts from the education field, both domestic and international, and representatives of all relevant local stakeholders (such as teachers and students at the local level). Effective reform is also more likely to be developed and implemented if the private sector, including members of the business community, participates in drafting strategies.

Quality assurance system

One potentially useful step would be to formalize a quality assurance system for education. For example, the establishment of a governmental quality assurance centre would likely be an efficient, longlasting and sustainable step toward better assessing the quality of instruction and students' progress. This centre should help oversee central-level standardized tests for both students and teachers, and its findings should be made available for review by the general public. Such a development could help ensure greater transparency and unified assessment across all education levels. One potentially appropriate step would be to carry out the assessment of Kosovo students through the Program for International Student Assessment (PISA). This program would help determine how Kosovo students fare in comparison with others in the region.

Similar methods could be also used by the government's Ministry of Education, Science and Technology to ascertain whether the initiated reforms have had the desired impact on students' achievement levels.

National qualification framework

The establishment of a national qualification framework that is harmonized with the European Qualification Framework is another potentially useful priority. Such a framework would create a standardized qualification system across Kosovo that would benefit young people and the education sector overall, regardless of region or type of school (public or private). Moreover, by establishing a unified and transparent system of quality assurance and assessment, it would enable more accurate comparisons of labour market competencies both within and outside of Kosovo.

Formal and informal learning

The concept of learning outside the formal education system should begin to be considered by educational institutions in Kosovo as the initial step toward inclusion into the Copenhagen process. Concrete efforts should be initiated to raise awareness among the public, in addition to stakeholders and key decision makers, as to the validity of this learning method and its emphasis on equal treatment for all individuals. These efforts should be accompanied by the drafting of a legal framework that would pave the way to inclusion. In general, a key objective would be to remove the current limitations—most of which are the result of a lack of education capacities and financial means—on youths' ability to receive a proper, comprehensive education in the Kosovo system. Achieving this goal in a sustainable manner would be enhanced by strengthening the links with life-long learning and adult training systems.

Financing and efficiency improvement

When drafting budgets, especially for the medium term, authorities should consider increasing financing directly related to capacity building of human resources, improved motivation for skills acquisition among people of all ages, and other measures that positively affect the quality of learning. Given the limited Kosovo's budget capabilities, public and private partnerships are a promising option in this regard. Such partnerships would require the backing of a special legal framework laying out the rights and responsibilities of all participants.

At the same time, existing financial resources can likely be redistributed more efficiently. Opportunities to do so may be identified through optimal distribution studies for elementary and high schools as well as a study of teachers' workload. The goal would be to determine the greatest human resource and infrastructure needs and to allocate resources accordingly.

Knowledge improvement opportunities

For students who abandon school it is necessary to give them every opportunity to have a second chance at continuing their education. Barring that, they should receive assistance in gaining access to key skills and knowledge required for successfully entering the labour market. At least initially, such a system should focus on youth who began their education in the parallel system and who subsequently did not receive a sufficiently developed basic education. Those in greatest need of such a system are members of the RAE community, which is plagued by high levels of school abandonment and illiteracy. Opportunities for young people in this community to continue the full cycle of education are limited by poor results at the elementary level.





Chapter 3

From School To Work

3 From School To Work

"We are the ones who should change Kosovo, and Kosovo should not change us. We should not leave Kosovo to search for employment just at the time when it needs us most. But now the youth of Kosovo are leaving, the brain drain continues, even as the rebuilding needs are immense. More must be done to increase employment opportunities so young people do not leave Kosovo."⁸²

3.1 A difficult transition

Many young people are actively engaged in transition from school to the labour market, with some already having moved on from education. Around 70 percent of youth aged from 15–19 throughout Europe are attending school, with the remaining 30 percent employed or seeking a fulltime job. (The latter are categorized as youth in transition.) The shares are reversed for youth aged 20 to 24: around 30 of them are still in school (at university), while around 70 percent are working or looking for work.

Around 40 percent of youth aged 15–19 and around 69 percent of those aged 20–24 are active in the Kosovo labour market (see Table 3.3). Surveys conducted by 2006 KHDR researchers indicate that some 69 percent of respondents have not tried to find a job over the last month (see Figure 3.1). The main reason is that slightly more than half of them were attending school full-time; as a result, they were not interested in seeking work or not able to because of their education obligations. These indicators are largely the same among youth of different ethnicities.⁸³



Young people in transition from school to work in Kosovo have been studied in detail.⁸⁴ They include unemployed youth, those with temporary employment, those employed but interested in change their job or returning to school, and "inactive youth" who are neither working nor in school but who intend to seek work some time in the future. Some of the results are illustrated in (Table 3.1)

| | about market (% lightes) | | | | | |
|--------------|--------------------------------------|---|-------------------------------------|-----------------|--|-------|
| | Total (all interested in work) | Discouraged they could have a job | At school but seek- ing a job | Unem- ployed | Working but wishing to change jobs | Other |
| Sex | | | | | | |
| Female | 43.3 | 2.7 | 3 | 21.6 | 10.6 | 5.5 |
| Male | 56.7 | 1.3 | 4.4 | 26.2 | 13.3 | 11.5 |
| Age group | | | | | | |
| 15-19 | 30.6 | 1.8 | 3.0 | 17.2 | 4.9 | 3.7 |
| 20-24 | 69.4 | 2.2 | 4.4 | 30.5 | 18.9 | 13.4 |
| | | | | | | |

 Table 3.1: Snapshot of youth in transition from school to the labour market (% figures)

As exhibited through the large share (69.4 percent) of young people aged 20 to 24 who are looking for work, many youth feel compelled to enter the labour market immediately after finishing lower levels of education. The reasons they do not continue with their studies differ, but the most common are that their family needs their economic contribution as soon as possible and traditional customs in which young women are expected to leave school at a relatively young age (see Section 2.2).

One of the data's most startling results is the number of unemployed youth. That group comprises 47.7 percent of the youth in transition, with most of them in the 20–24 age group.

Entering the labour market

As illustrated by the long length of time before they find their first stable job,⁸⁵ many young people find it extremely difficult to enter the labour market. In developed countries, according to estimates, it takes an average of about 1.4 years to get a stable job. Yet the comparable figure for less developed countries is more than twice as long: four years.

Such statistical data for Kosovo is lacking. However, it was estimated that in 2004, around 43 percent of youth

had been searching for a job for more than a year.⁸⁶ That estimate was confirmed in 2006 through surveys and monitoring assessments with young people.⁸⁷ Most unemployed young people surveyed said they were not holding out for jobs that pay more; instead, they said they would accept a relatively low-paying position because they recognize the necessity of starting at the bottom and getting experience. Yet the surveys indicate that even such low-paying jobs are scarce, especially for those without connections, in all sectors and institutions.⁸⁸

Young people surveyed also acknowledged that unqualified individuals, regardless of their age, have the most difficulty finding their first job, whereas those with university diplomas find it easier. Therefore, members of the RAE community—who are less educated and face greater social and economic discrimination—face the most significant challenges in obtaining employment. Lack of proficiency in Albanian remains an employment-related barrier for many members of the Bosnian minority, meanwhile. For example in Peja/Peć, they can only apply in public administration only for vacant positions reserved for minorities.

The following factors have a significant impact on issues related to young people's ability to find their first fulltime job in Kosovo:

- lack of adequate or appropriate knowledge to fulfil a job's requirements, a situation that stems from the poor quality of education;
- low labour market demand, due to Kosovo's overall sluggish economic and limited private-sector business development;
- urgent need to find a job, which may prompt a young person to take the first one offered instead of waiting for a more suitable opportunity. Although unfortunate, this urgency is understandable given the high level of poverty in Kosovo and pressure from other family members' for youth to start earning a living themselves;
- extensive disparity in pay related to education experience. For example, monthly starting salaries range from 157 euros (US\$ 206) for those with a primary school education to 272 euros for those with university diplomas;⁸⁹
- the size and influence of the informal labour market, which has been estimated recently to comprise half of all employed people;⁹⁰ and
- high rates of employment mobility. This is common everywhere in the world (including Kosovo) as young people experiment with different jobs to find one that suits them best.

'Inactive' youth

The category of "inactive" youth vis-à-vis the labour market includes those who continue their education (but do not have full-time jobs while doing so), and those neither attending school nor engaged in seeking a job. The second group comprises young people with temporary or permanent disabilities; those with responsibility for childcare or other family-related duties; and those who have given up looking for a job because of frustration, constant rejection, or other reasons.

Around 60 percent of the inactive youth are aged 15 to 19; most individuals in this age group are, after all, still at a common schooling age. The remaining 31 percent are aged 20 to 24, the age at which most young people have completed their education and are therefore included in the labour market.

Young men are most likely to be inactive due to health problems and other similar incapacitating reasons. Young women, meanwhile, are more likely to be included in this category because of family and childcare responsibilities. The comparatively high rates of inactivity among RAE youth are directly related to their low education levels and, for young women, to traditional beliefs that they should not work but instead care for their families only.

The youths who have given up trying to find a job may be labelled as "discouraged". This sub-category includes one of every four inactive young people aged 15 to 19, and one of five among those in the 20–24 age group.

3.2 Employment opportunities

Low labour market participation

According to official data, Kosovo has an active workforce of 0.92 million people. Given Kosovo's population of 2 million, that corresponds to a labour participation rate of 46.2 percent (see Table 3.2). This rate is not only low by EU standards, but is also low in comparison to elsewhere in the Balkans region, where such rates normally do not fall below 60 percent The reasons for Kosovo's relatively low labour participation rate include the following:

- (i) Kosovo's comparatively young population. Over half of the entire population is under 25 years old. Many of them are not entering the labour force because they are in school or are too young;
- (ii) *an increase in cases when people leave the labour market prior to retirement age.* This phenomenon is generally related to the ongoing economic and

political transition. Many older and unemployed workers are discouraged by a lack of demand for their old professions and/or by an inability to find a job for which they are qualified; and

(iii) *women's participation is comparably low*. There are two main reasons for this: traditional customs that expect women to stay at home and run the house, and limited employment opportunities offered by the labour market, especially for lower-skilled women.

| Indicator | Kosovo European Union | | | |
|---------------------|--------------------------|-------|-------|-------|
| | Total | Women | Total | Women |
| Participation level | 46.2 | 25.3 | 70.4 | 62.6 |
| Employment level | 27.9 | 9.9 | 64.1 | 56.5 |
| Unemployment level | 39.7 | 60.7 | 8.9 | 9.8 |

Table 3.2: Key labour market indicators (2004), by % 91

Another important but unmeasured impact on this indicator is the significant presence of the informal economy in Kosovo.

The labour market participation of young people aged 15 to 24, who represent 21 percent of Kosovo's total population, differs by age. More than half (60 percent) of young people aged 19 and younger are more interested in continuing their education and therefore are not seeking to enter the labour market (see Table 3.3). Starting at age of 20, however, most young people (69 percent) are considered active participants in the labour market.

Table 3.3: Youth in the labour market (2004), by %92

| Indicator | | Age group |
|--|-------------|-------------|
| | 15–19 years | 20–24 years |
| Participating in the labour market | 40.2 | 69.1 |
| Not considered to be in the labour market | 59.8 | 30.9 |

Employment in the private sector

Private enterprises are an increasingly important element in the Kosovo labour market, but their number is growing slowly nonetheless. Of the private businesses registered by the end of October 2006, 88.3 percent are small- and medium-sized enterprises with at most five employees (see figure 3.2). Around 99 percent of those are family businesses with one or two employees only. Private-sector firms employing more than five people comprise 11.7 percent of the total. The largest number of private businesses are in the nonmanufacturing sector. Around 62 percent are in trade or catering services, 10 percent in transportation, and 4 percent in construction; meanwhile, just 9 percent



are engaged in manufacturing. Pristina is home to the largest number of registered businesses in Kosovo: around 20 percent of the total, and 26 percent of those with more than five employees.

Youth employment figures are distributed similarly (see Figure 3.3).⁹³ The largest share of young people, approximately 45 percent, are employed in services and sales businesses. The number of young people employed in the industrial sector, including mines and agro-processing is much



lower. In general, such distribution is similar across all ethnic groups except for one major difference: 39 percent of young K-Serbs are employed in agriculture, whereas the comparable percentages among K-Albanians and RAE are 7.4 percent and 7.7 percent, respectively.

Employment in the public sector

Due to the lack of a public administration database, there are no complete data on the age of employees paid from the government budget and their qualifications. What is known is that the total number of employees paid from the Kosovo Consolidated Budget at the end of 2004 was 74,008.⁹⁴

Box 3.1 Youth Employment Action Plan in Kosovo, 2007–2010

Drafted with the support of the ILO, the Youth Employment Action Plan seeks to coordinate the activities of several ministries in efforts to improve youth employment. The total cost of priority measures identified under the plan is 13 million euros (US\$17.1 million), of which one third is to be covered by the government's budget and the rest by donors. The key measures include: (i) decreasing the primary school drop out level (around 2.5 million euros allocated); (ii) more extensive inclusion in vocational education (1.89 million euros); improved vocational education opportunities (2 million euros); (iv) improved access to information, education and carrier guidance (2.39 million euros); (v) efforts to increase the number of start-up businesses (1.87 million euros); (vi) decreasing the percentage of youth employed in the informal economy (1.53 million euros); and (vii) increasing the number of youth registered in public employment services (760,000 euros).

Most young people, in particular university graduates, aspire to work in the public administration. For one thing, a public-sector job is seen as an excellent place to initiate a sustainable professional career. Moreover, many youth are interested in the sector because they are keen to help create a modern and adaptable public administration for Kosovo.⁹⁵ However, although it is widely accepted that young people are often better at adapting to fast-changing environments that characterize much decision-making endeavours, they face numerous obstacles in obtaining public-sector employment:⁹⁶

- (i) conservatism and lack of trust toward young people among current public administration employees. In particular, many key decision makers do not consider youth to be prepared to play important roles in laying the foundations of a modern public administration;
- (ii) relatively limited and restrictive recruitment procedures and desired qualifications. Currently, recruitment procedures and processes usually highlight two key criteria: English language and computer skills. Without one or the other (preferably both), it remains difficult to obtain even an entry-level job in many public-sector agencies and departments;
- (iii) the number of youth in managerial positions continues to be extremely limited. Even as the number of young people employed in the public administration continues to increase, comparatively few occupy senior positions. Such positions are in general held by employees older than 35; and

Box 3.2 Public administration requires new mentality

"Public administration is very slow and bureaucratic in decision-making. Decision-making processes should be much more flexible, inclusive, less focused on senior levels and much less bureaucratic. Currently, old fashioned methods, inherited from the previous administration, are used far too often. This limits the ability to launch new initiatives and is not consistent with modern administration requirements. The older employees appreciate our work, but our ambitions are much greater—namely, to learn more and to make our voices heard more extensively. We are much more satisfied when our opinions are sought and listened to than when our superiors merely say good things about us."

 From a roundtable discussion in Pristina with young people working in the public administration (4 September 2006)

(iv) youth employed in public administration have limited access to decision-making responsibilities. In general, most young people employed in the public administration agree their working environments are friendly. However, they also say that when it comes to decision-making above the operational level, such decisions are made by senior managers who often underestimate youth, especially women. This is also true in regard to international employers, who in many cases are thought to monopolize strategic decision-making. Young people, meanwhile, believe they have the skills and confidence to be more comprehensively involved in making important strategic decisions.

Adaptation to new technologies

In comparison with the rest of the population, young people are more adept at understanding and utilizing new technologies, in particular information technology. This is a potential advantage for them vis-à-vis the labour market. For example, the Internet has enabled young people to broaden their knowledge and to establish connections throughout the modern world. This has been particularly useful given the slowness of the Kosovo education system to incorporate many modern education approaches and ideas.

The growing interest in computer and Internet use among young people is illustrated by the results of the HDR 2006 survey.⁹⁷ Although the number of young people with their own computer (or one at home) is still low, most young people know how to use one, and some 75 percent report using the Internet. Young men are more likely to be familiar with the Internet than young women. One somewhat unexpected survey result was that there is little difference in Internet use between young people in urban and rural areas (see Figure 3.4).



The number of young people with Internet connections at homes remains low — at about 16 percent. Even though youth in rural areas are nearly as likely to know how to use the Internet as their urban counterparts, far fewer— 10 percent, compared to 20 percent—have an Internet connection at home. The main reason for low levels of Internet access is that very few people have computers at home. Other reasons include lack of coverage in some areas and high connection costs. Private companies are taking the lead in improving Internet-related technology and extending coverage across Kosovo.⁹⁸

Given that the number of young people who use the Internet regularly is relatively high, in towns as well as in rural areas, it is of interest to know what they use if for. The survey shows that of every four youths, three use the Internet for e-mail, two for talking to others, and just one for educational purposes. The share of young people who report using the Internet for work is about 15 percent.

The data do not show significant and systematic differences among young people of different ethnicities.

Less respected women rights in the labour market

The Constitutional Framework of Kosovo provides that all people of Kosovo enjoy fundamental human rights and freedoms without discrimination and with full equality.⁹⁹ The Law on Gender Equality mandates that employers provide equal pay for work of equal value, regardless of gender, and that they provide equal access to employment opportunities.¹⁰⁰ However, women are still at a disadvantage in the labour market as compared with men, around 60 percent of women are unemployed while this figure among males is 38 percent.

In Kosovo there are no statistical data and relevant studies on the differences between women and men in the labour market or regarding the status of employed or self-employed women. In general, though, women working in the public sector have more rights than those working in the private sector. This is because of the informal nature of much of the employment in the private sector. Moreover, self-employed and unemployed women do not have access to most social assistance schemes—the legal framework in Kosovo is not in compliance with EU standards in terms of providing assistance for the self employed and unemployed in general.

Even when rights are enshrined in law, most employers and members of the general public are unaware of their existence and what they require. For example, employers often continue to specify their preference as to the gender of the employee they would like to hire. And even when they do not declare this directly, it is clearly implied nonetheless. Meanwhile, many job positions (teacher, nurse, secretary and cleaner, for example) continue to be viewed as female-oriented regardless of applicants' qualifications and education backgrounds.

There are differences in salaries as well. The average salary for women is lower than that for men, and the gap increases the higher the educational background. Among university graduates, men's salaries are 20 percent higher on average than women's.¹⁰¹ One reason for this persistent gap is that women tend to have lower-level managerial jobs than men. They also find it more difficult to be hired for higher-level ones, regardless of qualifications.

There are no specific data regarding salaries by gender among young people. However, it is assumed the situation is similar to the population overall.

3.3 The background and impact of unemployment

Youth unemployment continues to increase

Kosovo's unemployment level is undeniably high, regardless of who is calculating. According to official data, the unemployment rate at the end of 2005 reached 39.7 percent. Other sources estimated rates from 35 percent to 44 percent, if not higher.¹⁰². This is the highest rate in Balkans region. It is also 4.5 times higher than the average unemployment rate in EU countries. The women's unemployment rate is twice as high as that of men.



Unemployment has increased every year since the beginning of the century. This trend results from structural changes in Kosovo's still-uncompetitive economy, the slow development of an extensive private sector, lack of foreign investment, a moribund and inefficient private agriculture sector, and a continuous increase in the size of the labour force as more young people enter it (which itself is a phenomenon of Kosovo's young population). According to official data, at the end of the first semester of 2006 the number of unemployed individuals in Kosovo totalled 324,000, an increase of 15 percent from the total at the end of 2003 (see Figure 3.5).¹⁰³ In 2005 alone, the number of people unemployed increased by 5.7 percentage points over the 2004 level, (see Table 3.4). These unemployment trends are the largest and most significant in South Eastern Europe.

Unemployment levels are high in all Kosovo municipalities. The largest absolute numbers of unemployed persons are in Pristina, which is also the most populous municipality, followed by Mitrovicë/Mitrovica. Nevertheless, Pristina offers more employment opportunities because it has the largest number of all registered businesses; therefore, recent increases in unemployment have been smaller there. The number of businesses with five or more employees is 2.5 times higher in Pristina than in Kosovo overall, for example.



Source: MLSW-Labour and Employment, Annual Report, 2005

K-Albanians comprise the largest portion of unemployed individuals, at 91.4 percent (see Figure 3.6). K-Serbs comprise 3.7 percent of those unemployed, while members of the RAE, Turkish and Bosnian communities combined comprise 4.9 percent. There are no published official data on the unemployment rates within specific ethnic groups. However, starting public employment centres estimate that employment access among members of the K-Serb and RAE communities has improved significantly in 2005.

| Table 3.4: Number of people unemployed and number of all businesses |
|---|
| |

| | | | Unemployed | Number of all businesses | | |
|---------------------|---------|------------|----------------------------------|--------------------------|--------------------------|--|
| Municipality | Number | In % Incre | ease from 2004 to 2005 (in %) | 5 employees or less | More than 5 employees | |
| Prishtinë/Priština | 65.112 | 20.45 | 3.3 | 5.949 | 1.092 | |
| Mitrovicë/Mitrovica | 62.594 | 19.66 | 5.7 | 1.728 | 184 | |
| Prizren | 51.946 | 16.31 | 10.2 | 3.608 | 391 | |
| Gjakovë/Djakovica | 36.397 | 11.44 | 6.5 | 2.050 | 294 | |
| Gjilan/Gnjilane | 32.920 | 10.34 | 5.6 | 1.966 | 280 | |
| Ferizaj/Uroševac | 32.498 | 10.21 | 5.8 | 2.545 | 348 | |
| Other | 36.903 | 11.59 | na | | | |
| Total | 318.390 | 100 | 5.7 | 31.563 | 4.189 | |
| C | | | | | | |

Source: SOK, 2005

From the data presented in (Table 3.5), it is clear that the high level of unemployment mainly affects people younger than 40—of every four persons without a job, three are younger than 40. Young people comprise 29 percent of the total number of unemployed, with their absolute numbers reaching 94,000 halfway through 2006.

jobs are created to address this demographic development, which means that unemployment continues to rise (see Table 3.6).

Labour market trends are influenced heavily by the size of the unqualified labour force. By the end of 2005, members

Table: 3.5: Registered unemployment broken down by age group

| | Unemploy | ed , December 2005 | | Unemployed, | | |
|-----------|----------|--------------------|---|--|--------------------------|--|
| Age group | Number | As % of total | Entries into the labour market, 2005 | Exits from the labour market, 2005 | June 2006 ¹⁰⁴ | |
| 15-24 | 90.791 | 28.52 | 10.323 | 3.094 | 93,827 | |
| 25-39 | 140.478 | 44.13 | 12.396 | 5.621 | 142,586 | |
| 40-54 | 63.939 | 20.09 | 4.965 | 3.110 | 64,285 | |
| 55-64 | 23.182 | 7.62 | 1.978 | 1.121 | 22,724 | |
| Total | 318.390 | 100 | 29.662 | 12.946 | 323,422 | |

Source: MLSW, Labour and Employment, Annual Report 2005.

The youth unemployment level is around 10 percent higher than the average unemployment level in Kosovo, while the unemployment rate among youth aged 20–24 is around two times higher than that of the age group 15–19.¹⁰⁵ This is due to the fact that most young people under age 20 are still in school and thus not considered part of the labour market.



Source: Government of Kosovo, Kosovo Action Plan for Youth Employment, Prishtina, October 2006

Among the youth population, the number of unemployed men is slightly higher than that of women (see Figure 3.7). That stems mainly from the fact that the number of young women aged 15–19 entering the labour market is smaller than young men—because females in that age group tend not to seek employment outside of family and rather stay at home and help with household chores.

Given the overall sluggishness of the Kosovo economy, current labour market trends are not promising in terms of reducing unemployment. In recent years, for example, the number of people entering the labour market has far exceeded the number of those exiting it. Far too few new of this group represented 59 percent of the total number of unemployed, yet only comprised 43 percent of those entering the labour force (see Table 3.6).

Registered jobseekers

Official data on employment and unemployment in general, and for youth in particular, are based on the number of registered jobseekers at employment offices. Currently, there are seven regional employment centres and 22 municipal offices across Kosovo. KHDR 2006 researchers do not believe, however, that the data collected by these offices adequately reflect the current situation for the following reasons:

- (i) *public employment offices offer only limited job-related information.* Even if they register at the offices, unemployed individuals typically find they receive little or no benefit in terms of finding employment opportunities;
- (ii) the offices cannot provide financial assistance to the unemployed. Unlike in many other countries in transition, no social assistance schemes (including for the jobless) have been introduced in Kosovo; and
- (iii) vocational education opportunities provided by the public employment service are available for a limited number of unemployed people only. As a result, there are few incentives for jobless people to register at the offices.

Table 3.6: Qualification of registered unemployed

| | Unemployed | | | Trends | |
|--------------------------|------------|-----------------|---|---------------------------------------|--|
| Qualification | Number | In % (of total) | Entries into the la- bour market, 2005 | Exits from the labour market, 2005 | |
| Unqualified | 188.948 | 59 | 16.409 | 5.584 | |
| Semi-qualified | 13.221 | 4 | 711 | 478 | |
| Qualified ¹⁰⁶ | 28.640 | 9 | 2.054 | 992 | |
| Low secondary education | 82.880 | 26 | 9.497 | 4.993 | |
| High secondary education | 2.344 | 1 | 365 | 351 | |
| University degree | 2.357 | 1 | 626 | 553 | |
| Total | 318.390 | 100 | 29.662 | 12.946 | |

Source: MLWS, Labour and Employment, Annual Report 2005

Most young people, especially those seeking a job for the first time, say they have little inclination to register as unemployed at the public employment service. The reason, they say, is that they have no confidence that registering will help resolve their problem. Their disinclination to register leads them to assume that the real unemployment rate is much higher than the official one.¹⁰⁷ (At the same time, however, the official data are probably closer to the real rate if one takes into account employment in the large informal economy in Kosovo.)

Competition for job vacancies



The number of vacant job positions offered to unemployed persons registered by the public employment service is quite low. In 2005 there were 7,121 jobs offered compared with 8,400 and 7,848 in 2004 and 2003, respectively. That corresponds each year to one job position offered to 45 unemployed persons. In practical terms, considering that approximately 593 job positions are offered every month, in reality there are around 530 unemployed candidates for one job position. This is a discouraging indicator for those hoping to reduce unemployment in Kosovo. Moreover, such long odds also discourage the unemployed from getting registered at their local public employment service offices of public employment service. The end result from a statistical standpoint is the near impossibility of obtaining reliable data on the number of unemployed.



Also discouraging is the fact that three of every four vacancies are in the services sector, and only 15 percent are in the production sector (see Figure 3.8). Such data offer proof that employment in the more modern technology sector, which has higher paid jobs in general, lags significantly in Kosovo. Young people believe that the main cause of high unemployment is the low number of jobs offered. As a result, those who are unemployed assume they are unlikely to obtain a job that is interesting, compensates them reasonably, and is commensurate with their qualifications and education level.¹⁰⁸ This opinion was expressed by about 55 percent of young people interviewed for this report. Only 23 percent of those interviewed said they are unemployed because they do not have the proper skills (see Figure 3.9).

Stimulating entrepreneurship

Policies designed to increase employment in Kosovo have in general focused on establishing conditions for sustainable economic development, facilitating more rapid creation of private enterprise, and providing the labour force with the skills necessary to meet contemporary labour market requirements. More specific policies for stimulating youth employment focus on measures linked with youth vocational education and training, counselling, work contracts, and recommendations on how to find a job. All of these measures are essential but not sufficient on their own for solving the overall problem of extremely high unemployment.

Increasing the level of youth entrepreneurship is considered another important way to raise employment among those aged 15 to 24. In general, the number of young people involved in entrepreneurship activities is much lower than that of older age groups. However, the entrepreneurship potential of young people is extensive given their creativity, energy and openness to new ideas and concepts. Youth entrepreneurship has played a major role in providing employment opportunities in numerous countries around the world, in particular low-income ones.¹⁰⁹ One reason is that youth in such environments have few alternative options because of the paucity of available jobs coupled with high poverty levels. The potential value of actively stimulating entrepreneurship among youth in Kosovo may also be enhanced by distinctive features of Kosovo society . More than a decade of repression, discrimination, and social exclusion on the part of the Serbian regime oriented many people towards entrepreneurship, usually by establishing small, family-run enterprises to earn a basic living. Even today, more than seven years after the conflict ended, such enterprises dominate in Kosovo. One of every four young people is a member of a family that owns a small family business (see Figure 3.10).¹¹⁰

In Kosovo it is difficult to find statistical data regarding young people's involvement in entrepreneurial activities. Such data are also absent in documents outlining general policies on youth or in special documents on youth



employment. But analysis of some factors related to entrepreneurship lead to some important conclusions that should be considered by the policy makers.

Young people obtain little knowledge and information about entrepreneurship while at school. This could and should be rectified as part of the reforms related to the introduction of new curricula at schools; improving teaching methods and teacher training; and creating links between the education system and the business community. Young people in Kosovo are strongly influenced by a social and cultural environment that does not sufficiently promote entrepreneurship because of tradition, distrust or fear, and other factors related to society as a whole and to family in particular. As a result, young people are less inclined to have the desire and courage to start a new business—and if they do so, they tend to delay the process.

Young people's ability to access the necessary funds to start a business are also quite limited. In general they do not have any capital of their own and are unfamiliar with the requirements and standards of lending institutions and even when they are aware, their ability to borrow is often stymied by high interest rates and the fact that they generally have little or no collateral. An additional barrier to setting up one's own business is the substandard state of public infrastructure (including power and water supplies) in many areas.

The current legal and regulative framework for startup businesses and their development does not include special measures for stimulating and facilitating entrepreneurship among young people. On the contrary, according to young people in Prishtina, starting up a business is difficult from the very start because there is no single place to obtain all the necessary information and documents required. Instead, it is necessary to navigate complex procedures and the often stifling bureaucracy of local authorities.¹¹¹ Many institutions must be visited to complete the necessary paperwork, and often authorities hinder the process even further by demanding additional information. The level of cooperation among different institutions is limited by the lack of a computer database that would allow officials to share information and process documentation more quickly and efficiently. In many cases, a bribe or special intervention by a relative or friend is needed to move the process along. And even if they manage to start their own business, young entrepreneurs must deal with a complicated tax system (with relatively high tax rates for business owners) and managing employees who often do not have the necessary skills (at least right away) due to the poor quality of Kosovo's education system.

Box 3.4 Youth Action Plan 2007-2010

The Kosovo Youth Action Plan 2007–2010 is a part of the Kosovo Youth Policies document. The total cost of implementing its measures is estimated at 10.59 million euros (US\$13.9 million), of which 72 percent would be covered by the state budget and 28 percent by donors. Some 4.5 million euros (43 percent of the total) are to be spent on stimulating youth employment. The main measures to that end include (i) introducing a more favourable tax system and an improved training system (70,000 euros); (ii) developing employment service capacities and financing a seasonal employment program (755,000 euros); (iii) creating an information system for the labour market and employment opportunities (84,000 euros); (iv) facilitating the transition of young people from school to work through vocational practice programs in public institutions (60,000 euros); and (v) stimulating self-employment of young people in rural areas through, among other things, the creation of a selfemployment fund (3.45 million euros).

Policy makers should consider these issues carefully as they contemplate how to stimulate entrepreneurship among young people in Kosovo. The success of such endeavours would have two important outcomes. First, it would help decrease the high unemployment rate among young people, particularly among those aged 20–24. Second, it would lay the groundwork for an enterprise-driven society that would be more dynamic and creative. , These young entrepreneurs, would soon have the experience, maturity, knowledge, and capital to grow their businesses and help improve overall economic conditions.

Employment opportunities in villages

Although half of Kosovo's young people live in rural areas, their employment in the agriculture sector remains quite low. No official data exist, but only 11 percent of respondents to the KHDR 2006 survey said they work on a farm.¹¹² Limited employment opportunities in the agricultural sector are linked to numerous factors, including the following:

- (i) the negative effects of the transition have been more extensive in the agriculture sector than in any other sector. This is evidenced by the overall decline in agricultural production even in areas with traditionally high output—a decline due largely to lack of financing to purchase and implement modern production technologies and inability to compete with cheap products. As a result, agricultural activity today is mostly undertaken for the needs of individual households instead of for larger markets;
- (ii) development of non-agricultural sectors in rural areas has been limited. By far the largest number of private businesses are in the service sector, and they rarely provide employment in rural areas. In particular agro-industry represent very low number in the total of registered businesses, the agro-industry promotes the agriculture production and increase the employment in agriculture;
- (iii) people displaced by conflict have been slow to return to villages. As a result, many farms are not in operation. The situation will remain problematic if owners continue to hold onto their land but do not return to farm it; and

Box 3.5 Self-en

Self-employment fund for youth in villages

The Youth Action Plan 2007–2010 includes a self-employment fund for the youth of rural areas. By 2010, it aims to assist 2,000 young people to achieve self-employment by granting them seed money totalling about 1,700 Euros (US\$ 2,237) each. (iv) young people are less interested in working in the agriculture sector. Many youths who grew up in the villages have firsthand knowledge of how difficult it is to make a living by farming. They may therefore believe their future lies with a different career that is more rewarding financially. Many are also attracted by the sort of energy and opportunities more commonly available in urban areas. It is worth mentioning that the survey showed fundamental differences between K-Serb youth and all others. Some 39 percent of young K-Serbs surveyed said they worked in the agricultural sector, compared with only 8 percent of K-Albanian youth and 7.7 percent of RAE community youth. This disparity could result equally from more K-Serb youths wishing to work and live in villages or from the more limited opportunities they have to move to most urban areas of Kosovo.

3.4 Vocational education

Limited training capacities

Vocational education is considered an important bridge between school and work for many young people. In all countries—regardless of their development level—where such a system is in place, it is intended to prepare youth to enter into the labour market by providing opportunities for them to gain important new knowledge about technology changes and the ever-changing requirements of the global economy.

Today in Kosovo there are eight Vocational Training Centres. In 2005, they served 3,925 individuals, one third of whom were female.¹¹³ Around 88 percent of the trainees were K-Albanian, 5 percent K-Serbs, and 7 percent from other ethnic communities.

More than 59 percent of the trainees were young people, many of whom had only completed low secondary school education. They are among those most in need of such training to improve their chances in the labour market (see Table 3.7).

| Age group | | Trained | | | |
|-----------|--------|------------|--|--|--|
| | Number | % of total | | | |
| 15-24 | 2.321 | 59.3 | | | |
| 25-39 | 1.306 | 33.4 | | | |
| 40-54 | 278 | 7.2 | | | |
| 55-64 | 23 | 0.1 | | | |
| Total | 3.928 | 100 | | | |
| | | | | | |

Source: MLSW, Labour and Employment, Annual report 2005

In general, however, the need far exceeds the available supply. In 2005, training was provided to just 1.23 percent of all unemployed persons. A substantial number of young people in need—youth make up about 28 percent of all those without jobs—did not have access to training. Most of them would benefit from practical vocational skills given the fact that their educational background did not prepare them adequately for the current labour market. Unfortunately, few other opportunities exist for them to receive continuing education support.

The Kosovo Consolidated Budget funds the Vocational Educational Centres through the public employment service. Meanwhile, as much as 2 percent of GDP is spent on similar employment services in OECD countries, with training for young people comprising a major part. Yet in those countries, unlike in Kosovo, the private sector contributes significantly—with only 10 percent funded by the state budget in some cases.

Table 3.8: Vocational educational trainees by municipality

| Municipality | Unem | Unemployed Trained | | during 2005 | |
|---------------------|---------|--------------------|--------|----------------|--|
| | Number | In% | Number | ln% | |
| Pristina | 65.112 | 20.45 | 689 | 18 | |
| Mitrovicë/Mitrovica | 62.594 | 19.66 | 924 | 24 | |
| Prizren | 51.946 | 16.31 | 797 | 20 | |
| Gjakovë/Djakovica | 36.397 | 11.44 | 305 | 8 | |
| Gjilan/Gnjilane | 32.920 | 10.34 | 345 | 9 | |
| Ferizaj/Uroševac | 32.498 | 10.21 | 420 | 11 | |
| Others | 36.903 | 11.59 | | | |
| Total | 318.390 | 100 | 3.928 | 100 | |

Source: MLSW, Labour and Employment, Annual Report 2005

Unlike their counterparts elsewhere, however, private businesses in Kosovo continue to regard expenditures for vocational education as costs rather than as useful investment outlays. They also rarely support such public training programs directly because of financial limitationsmost private enterprises are relatively small both in size and in terms of profits generated. One solution would be to help fund training programs through partnerships of private-sector enterprises at local or central levels. In this way, contributions from individual businesses could be pooled into a substantially sized fund. Each would likely benefit at some point, even from a modest contribution, by a better-skilled labour force. The Kosovo government could facilitate the creation of such partnerships by making such contributions tax-free or introducing other similar fiscal incentives.

The public sector currently is the only truly viable option for vocational education in Kosovo. For the most part, private-sector training programs (which are fee-for-service) have yet to be introduced because they are unaffordable to those in need.

Certificate vs. labour contract

Some 3,500 to 4,000 people are trained ever year through the Vocational Training Centres of public-sector employment services. Upon completion, all receive certificates for the professions they study. The current vocational system faces some fundamental problems, however, including:

(i) demand for trainings far exceeds capacities for training. In general, the vocations for which the trainees are trained are "new" because they are selected in compliance with labour market needs. Yet the demand among participants for such courses is much greater than the centres' capacities. Increasing this capacity, both in terms of available slots and geographical distribution, should be a main priority of the government as well as international donors contributing in this sector;



"Public employment services do not perform any concrete and useful function for facilitating youth employment. There is little information available that could guide us in regards to possible occupations, qualification level, and geographical distribution. Also, training capacity is limited at most of them, which in turns limits the number of young people who can benefit."

—From a roundtable discussion with young people in Rahovec/ Orahovac, 23 November

the establishment and empowerment of centres (ii) was and is still carried out without any cooperation with vocational secondary schools. This has two negative consequences. First, it is costly for a small economy such as Kosovo, which has limited budget funds, to provide the needed physical infrastructure, laboratories and equipment, curricula, and staff training for vocational education. Given this reality, the development of a freestanding vocational training system separate from vocational education facilities at the secondary school level seems a waste of money. Second, vocational training and vocational education should be systems that complement one another, especially since they share similar goals and objectives; and

(iii) despite having introduced reforms to more properly meet contemporary labour market requirements, vocational training centres in Kosovo continue to be unduly influenced by an emphasis on inputs. This problem is best illustrated by the lack of useful statistical information routinely collected. For example, trainees are given certificates for the courses they attend, but authorities are not able to report how many of them ultimately sign employment contracts.¹¹⁴ Yet the problem is much deeper than just lack of data. Officials running the vocational education system do not recognize the need to monitor and assess results because they are concerned only with inputs, not outputs. That is the opposite focus of modern vocational training systems abroad. As they have learned, vocational training programs are only effective in meeting labour market demands if their work is regularly monitored and evaluated.

3.5 Plans for the future

Unemployed young people in Kosovo see limited employment opportunities and perceive limited interest among central and local institutions in helping them find a job. Moreover, the persistently slow pace of Kosovo's economic development gives them little hope that the future will be brighter. This perception is exacerbated by their low qualification levels, which greatly restricts their ability to meet the needs of today's labour market. Their ability to address this shortfall through vocational education training is constrained by training systems' limited capacity.

Box 3.7 Is migration a solution?

"People in our municipality—men and women, in particular young ones—have traditionally been zealous workers. But unemployment has now touched everyone. We, the youth, are the most affected by it. In these conditions, the only solution is that instead of being unemployed in Kosovo, it is better to emigrate to the West."

—From a roundtable discussion with young people in Rahovec/Orahovac, 23 November 2006

Even many of those who have jobs are dissatisfied. They often think they are underutilized and that their contributions are ignored or minimized.

Most young people employed in public administration say they do not have firm plans to leave their jobs. They add, however, that they often think of doing so when they are worn out by the routine and would like a higher salary.

All young people, employed or not, believe Kosovo's institutions need them, but they are regularly disappointed by their options. The optimistic ones believe the obstacles will be removed over time (and relatively soon). Those less optimistic, who are in the majority, are not so certain. They think the current employment problems in Kosovo are endemic, which makes emigration ever more tempting to them.

3.6 **Priority policies and measures**

Strategy unification

The Youth Action Plan (2007–2010) and the Kosovo Youth Employment Action Plan (2007–2010) have the same general objectives and cover the same period of time. They should therefore be unified in order to avoid confusion and duplication. In addition, funding for the priority measures should be included in the Ministry of Finance and Economy's Mid-term Expenditures Framework 2006–2008.

Facilitating career decision-making

In order to improve participation of youth in general and, in particular, of young women in the labour market, a career guidance system should be developed. An effective system, which would be tailored according to age, would help the young people make qualified decisions regarding when and how they should transfer from school to job.

This would be achieved through:

- providing more extensive information on quality, differences and advantages between general education and vocational education, as well as on their possible impact on future employment;
- providing quality information on the labour market, with data and evaluations on the economic and social development sectors in Kosovo and neighbouring and Western countries, employment opportunities and needs according to education level and profile, and different kinds of careers available;
- providing information on the process of searching for a first job, employment-related rules and regulations in the public and private sectors, and the differences between formal and informal employment, long-term and mid-term employment, and full- and part-time jobs; and
- guaranteeing more extensive access to resources and assistance regarding setting up and sustaining a private business.

Young people should get such knowledge through training programs, awareness-raising campaigns targeted at various age groups, and specially designed websites. Information-gathering should be an interactive process that enhances their decision-making roles and responsibilities.

Using entrepreneurship potential

Youth entrepreneurship and self-employment can be stimulated by:

- including courses on entrepreneurship within secondary school curricula;
- initiating public awareness campaigns designed to boost the confidence of young people to create their own businesses;
- boosting financing options by creating an entrepreneurship fund for youth, stimulating private financing and banking mechanisms with loan conditions and schemes facilitated by the government, and by providing financial-services training to young people free of charge;
- removing administrative obstacles for private business in general and for those initiated and operated by young people in particular. This might include extensive regulatory reform designed to speed registration and licensing, tax incentives, and free training in business administration and development; and
- introducing programs and policies to help young people grow their businesses and, by extension, hire others (especially other youths).

Favourable conditions for employment in public administration

To increase young people's employment in public administration it will be necessary to improve the legal framework to create conditions for implementing legislation more effectively. The institutional control of the Ministry of Public Services over the implementation of this legislation should be strengthened at the same time.¹¹⁵ The following priority measures should be considered:

- improving the existing legal framework associated with the Law on Civil Service¹¹⁶ and, in particular, provisions regarding recruitment procedures, contracts, probation period and job description;
- adopting by-laws limiting political and non-institutional pressure on the civil service system, in particular on employment and termination of employment;
- introducing special criteria to increase youth employment in public administration in general, and in particular among young people who have studied abroad; (i.e. quota for employment newly graduated could be an option);
- conducting a functional analysis of all public institutions with the goal of codifying and making public the tasks and responsibilities for every job position, the required education level, and the professional skills needed; and

• planning special training seminars for young people employed in public administration. These seminars should be conducted by the Kosovo Institute for Public Administration (KIPA).¹¹⁷

Providing opportunities for vocational education

To increase opportunities for vocational education of youth, in particular for preparing them for their first job, the following special measures should be considered:

- institutional coordination of the vocational training and vocational education systems. This could be achieved by establishing an inter-ministerial agency that undertakes the task after conducting research abroad;
- increasing training capacities and improving geographical distribution of training centres, so as to meet demand more effectively;
- provision of counselling services, free of charge, to young people who wish to undertake on-the-job vo-cational trainings; and
- adoption of a set of measures, including tax incentives or subsidies for training activities, that would stimulate businesses to invest in vocational training of young people employed by them.

Improvement of donor support efficiency

The largest portion of funding for priority measures outlined in the strategic document on youth employment is supposed to be covered by international donors. The plans cannot be implemented without this contribution. Therefore, government officials should initiate discussions with donors so as to coordinate priority measures and ensure their interest and engagement.

One possible step in this direction would be the establishment of a donors' coordination forum under the direction of a Kosovo government institution. This would be a useful way to improve linkages among existing and future projects and priority measures. Better coordination would lead to better efficiency in financing and implementation.




Chapter 4

Participation - A Right And Responsibility

And Responsibility

The ability of Kosovo's youth to have an impact on the decision-making of institutions related to their lives is very low. This occurs for two main reasons: The institutions often do not feel obliged to respect the rights of youth to participate, and the young people themselves do not consider their participation to be a civic responsibility. Raising the awareness among all members of society as to the critical importance of participation, the stimulation of young people to exercise this right at all levels, and the creation of instruments that enable participation are joint tasks for young people and institutions of Kosovo.

4.1 Symbolic participation of young people

Young people are at an age when they feel part of a wider social family and community and begin to interact more broadly with the world. It is important that they understand that such interaction must be conducted with recognition of and respect for key individual and collective rights and responsibilities.

Although participation is a broad concept involving many aspects of youths' rights and responsibilities, participation in the social life of the community and in democracy in general are considered two of the most fundamental elemens.¹¹⁸

Box 4.1 The concept of participation

Youth participation is the creation of relations and partnerships involving young people and adults in all walks of life. Young people therefore profit from the contribution, ideas, and energy of adults and offer energy and creativity in return. Participation is a fundamental civil right and a way to ensure that young people are actively involved in decision-making. It highlights the importance of the individual as a responsible and contributing member of the welfare of society and also helps boost his or her own progress. Participation has a direct impact on many key issues that are important to all people, especially youth, including education, freedom of speech, freedom of religion, employment and health. Engagement helps ensure that their choices in life are made with as much assistance and support as possible.

In Kosovo there is a general opinion that real participation of youth in society (and in decision-making in particular) is low. This is expressed in many studies and analyses prepared by youth organizations themselves, government institutions in Kosovo, and international organizations. Often, Kosovo institutions feel the need to use the slogan "this document was prepared through a process of broad participation" — by which they mean that members of all groups, including young people, were invited to comment. Also, political parties in Kosovo often state they have done everything possible to "reinvigorate" their leading structures so as to create conditions for youth involvement and contribution, but their inclusion is in reality very low. Instead, young people's engagement is of a token nature,¹¹⁹ and is instituted without clear rules and obligations regarding the rights of youth.

| Table 4.1: Data on participation | of youth in Kosovo |
|----------------------------------|--------------------|
|----------------------------------|--------------------|

| 2006 | Year the survey was conducted |
|--------------|--|
| 4.1 % | Participated in NGO projects |
| 3.0 % | Profited from NGO projects |
| 1.7 % | Participated in trade union activities |
| 7.6 % | Participated in public discussions |
| 11.2 % | Participated in citizen initiatives |
| 25.0 % | Signed a petition |
| 21.7 % | Participated in public protests |
| 6.5 % | Joined "Vetëvendosja" movement |

A similar conclusion regarding the civic engagement of youth can be obtained from a review of data from Human Development Reports. As presented in (Table 4.1), data based on a survey conducted in 2006 shows that youth participation remains at relatively low levels.¹²⁰ According to the survey, 4.1 percent of young people say that they are themselves involved or a member of their family is involved in activities or projects implemented by NGOs. In general they do not feel themselves to be beneficiaries of youth organization projects: This opinion is held by 93.8 of young people interviewed (see Table 4.1).



In the KHDR 2006 survey, only the number of young people who have participated in public protests (22 percent of those interviewed) and signed petitions (21.7 percent) is higher. This likely results from a tradition of attending protests that began in the years of insecurity and ethnic discrimination (see Figure 4.1).

The low civil engagement of Kosovo youth and the absence of their active participation are mostly linked to the following factors:

 (i) education is the main preoccupation of young people aged 15–19. Many young people in this age group attend school, which they consider to be their main priority. Parents often want their children to focus attention on learning as well, and thus discourage participation in activities not directly linked with learning. Parents may also act this way because, in general, older people do not have a tradition of extensive civic participation. Young people in such environments do not have direct role models for engagement of this sort.

- (ii) finding a job is the main focus of young people aged 20–24. At this age, young people begin to recognize the importance of earning a decent living to support themselves and their families. Regardless of whether they continue their studies or not, youth of this age group are focused on finding a job now or shortly in the future. Under these conditions, they are most interested in any kind of activity that addresses such pressing concerns;
- (*iii*) *lack of civil engagement culture.* Young people of both ages receive little incentive to develop their civic responsibilities either in school or at home. As such, they have a low awareness of the importance of civic engagement for themselves and for society in general; and
- (iv) many young people do not believe that participation is a matter pertaining to them. Often, young people believe that participation in social community activities is a matter more connected with their parents than with them. And viewed in a historical context, youth participation in activities during the 1999 conflict often had disturbing repercussions because many activists ended up in jail. Such experiences had an understandably negative impact on many young people's inclination to engage more broadly and openly in society.

4.2 Social life in the community

Possibility of having an impact

The relative lack of an extensive culture of participation—coupled with a Balkans-wide tradition of older family members (particularly parents) making the main decisions for the entire family—means that young people in Kosovo have relatively limited engagement in the community and in the environment around them in general. This is clearly presented in the survey results (see Figure 4.2).¹²¹ More than 60 percent of young people surveyed said they cannot have any impact on community matters in general, or on issues related to the neighbourhoods in which live, in particular. In addition, around 80 percent said they cannot have any impact on the affairs and issues happening in their municipality. More positively, around 60 percent said they have an impact on issues related to their families.

Another notable result from this survey is the high number of young people (20 percent of the total) who do not know how to express themselves on this matter. In some cases, young people surveyed did not understand why they should try to have an impact on matters that they believe the local administration has an obligation to addres.



Participation in NGOs

Non-governmental organizations (NGOs) play an important role in establishing mutual confidence among people, strengthening their cooperation and ability to fulfil joint goals, stimulating and implementing the active participation process of people in the development of society, and in providing many useful services from healthcare delivery to safeguarding human rights. In general, one of the key goals of civil society—of which NGOs are a key element—is to increase and improve citizens' engagement with and ability to influence the government institutions.

Box 4.2 Objectives of youth NGOs

Among the key objectives of NGOs that focus on youth are to:

- (i) stimulate pluralism, diversity, and tolerance in society by protecting and strengthening cultural, ethnic, religious and linguistic identities;
- (ii) further scientific development, develop culture and arts, protect the environment, and support all elements of a strong civil society;
- (iii) motivate citizens to be active in all walks of life so state structures do not retain all power and influence;
- (iv) create alternatives, often those that are more flexible and effective, to activities carried out by state agencies; and
- (v) establish mechanisms through which state institutions and the market respond to the public.

In Kosovo there are more than 3,500 registered NGOs, but only 500 of them are active.¹²² Some youth organizations existed before the conflict, but they were few in number and their activities were hindered prior to 1999. The massive increase in NGOs after 1999 was stimulated not only by the great need for their assistance in post-conflict Kosovo society, but also by the generous funding provided for them by the international community. The highest number of NGOs registered was in 2000; since then, the annual number has been lower.

According to a study conducted by the Kosovo Civil Society Foundation, 19.4 percent of registered NGOs are youth organizations.¹²³ Even though this translates into a relatively high number of actual entities, the number of young people who are actually members of these organizations (or are otherwise engaged in youth-oriented activities initiated by them) is quite low compared with the overall number of young people in Kosovo. According to the survey, only 4.4 percent of young people interviewed said they were members of an NGO, with an additional 1.9 percent saying they participated in a youth-oriented initiative. Combined, this means that only 6.5 percent of young people were directly engaged with an NGO (see Figure 4.3). The share is similar for all ethnic groups.



This phenomenon is not restricted to Kosovo. In most European countries in transition, there has been a decline in the number of young people participating in NGOs that focus on youth-specific issues and concerns. Participation was higher than normal only when major political or economic events took place in those countries, such as the introduction of democracy, or in response to activities initiated by well-financed NGOs.

These trends are common elsewhere in the Balkans region as well, where it is estimated that only fewer than 5 percent of young people are involved in youth organizations.¹²⁴ However, even though participation levels are low, many of Kosovo's neighbours have continued to support and encourage such organizations as part of an effort to create more pluralistic societies. Kosovo would do well to emulate such policies, especially because bridging Kosovo's "democratic deficit" will likely be a longer-term process without extensive civil society involvement.



Only 6.2 percent of youth respondents said they or a member of their family had been a beneficiary of any NGO project (see Figure 4.4).¹²⁵ This indicator is similar among both K-Albanian and K-Serb youth surveyed, but the share of RAE youth who say they or their families have benefited is twice as high. That most likely stems from the fact that a disproportionate number of NGOs have initiated activities to support members of this historically disadvantaged community.

NGOs clearly have a lot of work to do in order to gain the trust and confidence of young people in Kosovo. Around 91 percent of youth surveyed, for example, said they had no wish to participate in any NGO (see Figure 4.5).¹²⁶



More than 100 youth NGOs and youth centres in Kosovo are part of the Kosovo Youth Network, which was established in 2001 following the Congress of Kosovo Youth.¹²⁷ The mission of this network is to develop young people's skills; address their needs; assist them in establishing a free, open and democratic civil society; and coordinate joint activities of member organizations.

Box 4.3 What might low participation levels mean for youth NGOs?

Youth participation in youth NGOs is low, and the number of young beneficiaries is very modest. This raises guestions about their efficiency. Low levels of participation can prompt NGOs to be more insular and to be influenced excessively by a small group of beneficiaries, even if that changes their mandate and mission. Moreover, they may begin to give disproportionate attention to fundraising and expansion instead of ensuring the efficiency and effectiveness of core activities. And finallyand perhaps most ominously—some may become less transparent regarding their financing, expenditures and activities. International donors that fund NGO projects have a responsibility to closely monitor and evaluate the organizations with which they work to ensure that those in need, such as young people, are the ultimate recipients of the benefits NGOs promise to provide.

Youth municipal assemblies

EU member-states have been urged to establish conditions so that inclusion, participation, and real civil engagement of youth start at a local leve.¹²⁸ In Kosovo, too, there have been some efforts to mobilize young people to speak out on issues of special interest to them. With the assistance of the OSCE Mission in Kosovo, municipal youth assemblies have been established in 13 municipalities (see Figure 4.6). Composed of youth



groups and open to young people from all ethnic groups, the non-political assemblies mimic the functions and activities of regular municipal assemblies. Members meet and discuss issues of interest to young people; attend training seminars covering a range of governance areas; and cooperate with local government representatives in addressing concerns related to the issues affecting youth. Among the priority problems identified by youth municipal assemblies in recent years are unemployment, poor inter-ethnic relations, lack of services for youth, authorities' lack of consultation with youth when making decisions that affect them, poor-quality standards and opportunities for education, environmental degradation, and gender inequality.¹²⁹

The rise and fall of youth centres

There are 31 municipal-level youth centres in Kosovo that were financially supported by donors, in particular by GTZ, OSCE, UNDP and UNICEF. They have played an important role in the informal vocational education of youth by organizing courses in foreign languages, information technology, journalism, tailoring and other subjects, as well as seeking to increase employment opportunities. From the beginning, youth centres sought to stimulate involvement in sports and recreational activities and to organize awareness campaigns on health issues, including sexually transmitted diseases (STDs) and drug use, and the ever-growing problem of human trafficking. Many of the activities were structured to facilitate improved inter-ethnic relations among young people.

Centres operated from new buildings erected specifically to house them or from appropriately equipped existing buildings. In many cases, the centres were established without cooperation with central institutions, often bypassing local authorities.

The initial enthusiasm has waned, however. Many youth centres have scaled back their activities in the wake of cutbacks in funding by international organiza-

Box 4.4 A wrong approach by donors?

Youth centers, youth networks, the youth parliament, the NGO Resource Centre, and numerous youth-oriented NGOs in Kosovo were established in a top-down manner, often by well-funded international donors seeking to copy models that were successful elsewhere. They did not, however, involve newly established central and local institutions in Kosovo that had limited experience (if any) in civil society activities. This, combined with a lack of detailed exit strategy, proved problematic as donors were reducing their funding in Kosovo. As funds were withdrawn from many of the established projects and activities (such as the youth centers), local authorities were incapable or unwilling to step in. Most of the established structures subsequently proved to be unsustainable. tions and lack of support from central and local institutions. Some have even closed, while others face pressure from local authorities to hand over their buildings and equipment. Reports in 2006 from Istog/Istok, for example, indicate that all three of the youth centres in that municipality are almost completely dysfunctional.

Youth centre staff and representatives have been greatly disappointed with such developments. They blame local authorities for failing to understand the importance of such centres in providing important services for youth. Some argue that the closure of a youth centre has similar negative consequences to a community as the closure of a school.¹³⁰

Box 4.5 Kosovo's 'institutional Volunteerism'

The volunteering experience in Kosovo is very different from that of other countries in transition. It is not related to state-sponsored activities, as in most communist countries; instead, it was for a long time an expression of defiance and self-sufficiency. For almost a full decade (the 1990s), a parallel government and parallel education and health systems existed in Kosovo, all supported entirely by volunteering. During that period, only a limited number of NGOs and humanitarian organizations functioned in Kosovo. Many of them did not register because they did not want their activities to be exposed. Therefore, the largest share of their work was undertaken by volunteers. One of the best known was the Association "Nënë Tereza", which used to distribute food to people in need through a wide network of volunteers. Such organizations were established across the territory among the Albanian population.

Experiences with similar youth centres outside of Kosovo also indicate that activities are often curtailed when donor funding is reduced—even when local authorities are keen to support the centres' efforts. One possible way to revive them would be to redirect youth centres away from direct service provision, which is relatively expensive, toward advocacy-related activities common to many civil society groups. For example, youth centres in Prizren and Gjilan/Gnjilane have converted into NGOs and survived by improving their fundraising capacity.

Volunteering

Volunteering is considered a cornerstone of civic engagement because it requires self-sacrifice, stimulates feelings of civic responsibility, and often promotes interaction with individuals of different backgrounds, ideas, and goals. A tradition of volunteering is common in the former communist countries of South Eastern Europe. So-called volunteer work was an important part of the communist doctrine and was often used in agricultural endeavours (helping gather the harvest, for example) and for the construction of infrastructure and industrial works. Such work was often more properly viewed as mandatory and not voluntary, but it did require cooperation for the perceived good of society nonetheless.

Volunteering has a unique history in Kosovo. The 1990s, the decade in which the majority K-Albanian population was repressed, was a period when so-called institutional voluntarism existed in Kosovo. Throughout that decade, a parallel government provided various services, including education and health care. It was financed by taxes, of up to 3 percent of income, paid on voluntary basis by K-Albanians and their compatriots living abroad.¹³¹ Many of the services were provided by volunteers free of charge; without them, it is clear that the social and economic structure would have collapsed even more extensively than it ultimately did.

The extent and type of volunteering changed significantly after the conflict ended in 1999. For one thing, international organizations began providing many of the services that volunteers had been responsible for, from food distribution to infrastructure development. In addition, a large number of local NGOs were established, often supported by donors, to help increase effective service delivery.

These developments effectively ended the period of institutional voluntarism. And now, a little more than seven years later, it is evident that the volunteer spirit and tradition is not resonating among people in Kosovo, especially the young. The reasons for the decline are related to changes in Kosovo's political, economic and social conditions; they include the following:

- the recent tradition of voluntarism in Kosovo was a direct result of discrimination, ethnic solidarity, and tenacious will to survive in the midst of oppression. These factors are rarely important in the current environment of relative peace, freedom, and democracy;
- most families currently face major economic challenges. They often are focused primarily on addressing such issues rather than those affecting the larger community;
- after the immediate threats subsided, members of the Kosovo diaspora no longer felt the urgency to support their compatriots in Kosovo;
- a significant number of people are discouraged by the lack of transparency exhibited by many NGOs. They are therefore less inclined to volunteer for NGO-initiated projects that they view with suspicion or doubt;
- many people who volunteered tirelessly for years during the period of institutional voluntarism be-

lieve their contributions are not recognized in contemporary Kosovo. For example, many teachers and doctors who were considered heroes when the parallel system existed now feel neglected and ignored by authorities; and

• the voluntary institutions in place in the 1990s failed to document their experiences in a way that engages young people today. As a result, although many youth are grateful for the sacrifices made during that period, they do not necessarily feel compelled to volunteer themselves.



About 68 percent of young people surveyed said they had never worked in any volunteer activity (see Figure 4.7).¹³² Young people of living in rural areas were more likely to have volunteered than those living in cities (38 percent compared to 27 percent).

A larger share of K-Albanian youth (34 percent) said they had participated in volunteer activities than members of the K-Serb community (18 percent). Young people who are familiar with volunteering were most interested in contributing to activities related to health, education, culture and improving inter-ethnic relations.

According to the survey, young people perceive volunteering more as an education activity than a social one. In response to the question about the benefits of being involved in volunteer work, half mentioned "training and experience", and one in four said they thought the major was the contribution to community development (see Figure 4.8).



4.3 Participating in democracy

Institutional dialogue

The Kosovo government institution that primarily deals with youth issues is the Youth Department in the Ministry of Culture, Youth and Sports (MCYS). That department is charged with coordinating responses (among all other central institutions) to the main issues faced by youth. It works closely with the five Youth Directorates in the largest municipalities and maintains links to municipal-level Directorates of Culture, Youth and Sport. The department also oversees government interaction with and regulation of youth NGOs, youth networks, and youth centres.

Many of the Youth Department's programs are implemented through youth NGOs, by funding some of their projects with funds of Kosovo Consolidated Budget. In 2006, about 5 percent (6.3 million euros, or US\$ 8.3 million) of the overall MCYS budget was allocated to the Youth Department.

The funding of NGOs is done on per-project basis, with the selection of applications through seven main program areas. Because the department's available resources

Box 4.6 The mission and objectives of the Youth Department

Mission:

To strengthen youth and create solid foundations for their social and individual development.

Objectives:

 i) To create opportunities for stimulating and developing the participation of youth in active social life; and
ii) to provide equal services to all young people and facilitate the development of social skills and values, while respecting individual characteristics.

for such projects is quite low, authorities seek to have the projects co-funded by international donors. One donor, the World Bank, has agreed to support several youth centres over the next three years through the Youth Department.

| Box 4.7 | Successful participation model |
|---------|--------------------------------|
|---------|--------------------------------|

The Kosovo Strategy and Development Plan 2007-2013 is being drafted by a special Secretariat within the Office of the Prime Minister of Kosovo. Three groups have been established to draft this strategy: the Civil Society Network Group, the Macroeconomy Group, and the Technical Group. The drafting of priority policies was supported by a broad consultation process with civil society organizations and youth organizations. In seven regions of Kosovo there were 65 roundtable discussions organized with civil society groups; most involved young people, and 10 of the 65 involved members of the K-Serb community. Discussion within each group focused on a limited number of issues including agriculture, rural development, business, education, health, culture, human rights, infrastructure, and youth. The results were discussed in larger-scale meetings throughout Kosovo. In particular, the key development-related issues and problems for each region were addressed by priority policies proposed by civil society. This is considered an important step toward greater involvement of civil society in Kosovo's development policies.

In order to fulfil one of its core objectives—increasing youth participation in society—the department has drafted two main documents:

(i) the Kosovo Youth Policy includes a special chapter related to participation. That section focuses on such issues as strengthening the capacities of youth organizations, stimulating volunteering, and creating a legal framework to enhance the civic participation of the youth. This document aims to encourage various institutions of Kosovo to undertake special measures on behalf of youth; and

Box 4.8 Participation policy: Summary of objectives

The main objectives of the policy are to:

 (i) stimulate and provide institutional mechanisms for the participation of youth in decision-making processes;

- (ii) ensure access to information and increase public institutions' transparency in regards to issues affecting young people;
- (iii) provide support for the youth sector at local levels;
- (iv) increase Kosovo young people's interaction with youth throughout the region, Europe, and beyond;
- (v) strengthen the capacities of youth networks and NGOs; and
- (vi) stimulate and recognize the volunteer work of youth.
- the Law on Youth Strengthening and Participa-*(ii)* tion,¹³³ which outlines the basic concepts of participation, the civic rights and obligations of youth, and the responsibilities of central and municipal institutions. Based on this law, central institutions of Kosovo have responsibility for maintaining regular consultation with youth to keep them and youth organizations informed as to the regulations, standards, procedures, and possibilities of financing their activities. It is hoped that this law will encourage the development of institutional and legal mechanisms for the regular and significant participation of youth, in particular by drafting and implementing sectional policies related to the interests of young people.

The positive steps undertaken by the MCYS and other government institutions offer great hope for the quality and scope of dialogue between them and young people. However, the issue of participation is much more complicated than it appears in those two documents, especially in regard to the following two issues:

- (i) The participation of youth in decision-making can only be effectively facilitated through ongoing dialogue with young people and their representatives in youth organizations. In general, the institutions seem to have a more simplified interpretation of what constitutes participation—for example, collecting comments on documents they prepare. This is not enough to ensure the comprehensive and useful participation of young people.
- (ii) The two instruments do not specify when participation is necessary and how it is supposed to be achieved. Those decisions are left to the subjective judgment of institutions and their employees. It should be noted that representatives of the Kosovo Youth Network participated in the drafting of the

Law for Empowering and Youth Participation and they were partners in developing the Kosovo Action Plan on Youth.¹³⁴.

For the most part, young people are in favour of more extensive participation in discussions and decision-making regarding the key political, economic, and social challenges Kosovo currently faces. They claim that institutions do not consider such dialogue with them to be necessary or appropriate.¹³⁵.

At the same time, however, young people are not afraid to review and express their opinions about governing institutions. For example, about half of young people are satisfied or very satisfied with the work of the UNMIK administration (see Figure 4.9).¹³⁶ Those dissatisfied say they are not pleased with the slow handover of responsibilities to local institutions. Negative evaluations also stem from the fact that many important decisions made by UNMIK do not take into consideration the opinions of young people and of civil society in general. Many youth claim that participation and institutional dialogue should be priorities of all government structures, including UN-MIK. Moreover, they note, UNMIK could offer a useful model of how to enhance and ensure the participation of civil society (and youth in particular) in local administrations' decision-making processes. (Such participation currently happens only raely.)

Box 4.9 Youth employment initiative

In December 2006, the National Conference on Youth Employment was held in Prishtina. Senior representatives of the Government of Kosovo from the seven main ministries participated. A major development was the presentation at the conference of the Kosovo Youth Employment Action Plan, which sets multi-sectoral priority measures for creating more employment opportunities for young people. By signing the Plan, the Kosovo Prime Minister and senior representatives of ministries committed themselves to fulfil its requirements. The central government also has responsibility for monitoring its impact.

Youth representatives were involved in identifying problems and priority policies to address them. However, none were included on the conference steering committee or otherwise directly involved in organizing the conference.

The share of youth who claim to be satisfied and very satisfied with the work of the Assembly and the Government of Kosovo is higher, at 52.5 percent and 52 percent, respectively. However, only 1 in every 3 young persons claims to be happy with the work of local authorities. This is perhaps unsurprising given that local officials are more visible in the community and have direct responsibility for many local problems, including those faced by youth.



Youth from the K-Albanian youth are more satisfied with the work of governmental institutions than those from other communities. K-Serb youth are half as likely to be satisfied with the UNMIK administration, although it should be added that about 35 percent said they knew nothing about it.

Only 7 percent of K-Serb youth interviewed said they were satisfied with the performance of the Kosovo Assembly; that compared with 56 percent and 46 percent, respectively, of youth from the K-Albanian and other communities. Meanwhile, 38.7 percent of K-Serb youth and 33.8 of those from other communities expressed no opinion at all. Similarly, only 8.7 percent of K-Serb youth were satisfied with the performance of the Government of Kosovo, and about 35 percent did not express an opinion. The low level of K-Serbian youths' integration is further illustrated by the fact that 30 percent expressed no opinion regarding the performance of the local administration, whereas only 21 percent said they were satisfied.

Engagement and interest in politics

Regardless of age, ethnicity, or social status, nearly all people of Kosovo enjoy discussing politics. This is perhaps not surprising in light of Kosovo's recent tumultuous history. Yet unlike in most other transitional countries, many issues related to Kosovo's economy and social development, and therefore the daily lives of its people, are directly influenced by political decisions made by international institutions. As a result, nearly every decision made by local politicians and officials is considered and evaluated in light of the opinions of and decisions made by international organizations.

Young people express different opinions regarding their participation in politics.¹³⁷ The perception of some is that in order to get involved successfully in politics, a young person must be well-educated and have deep reservoirs of courage and energy. These attributes are vital, they be-



lieve, because meaningful participation in politics requires significant commitment of time coupled with skills to initiate and debate ideas, cope with pressure from the public, and delegate decision-making. Although worth doing to help Kosovo move forward, such sacrifices of family and personal life are significant and never-ending.

Other young people view the desire to participate in politics as related to personal ambition, with the ultimate aim to build a career and not necessarily to serve the country. This somewhat cynical perception is often held by those who also believe that the main social and economic problems are rarely addressed through politics. Such opinions are quite common among young people in Kosovo today; as a result, 93.5 percent of those surveyed said they were not interested in becoming directly involved in politics (see Figure 4.10).¹³⁸ Little difference exists among youth of different ethnic communities. Youth interviewed in Mitrovicë/Mitrovica, for example, said they tend to avoid politics because they do not think involvement can help identify solutions to their problems.139. Those surveyed in Pristina, meanwhile, said they preferred "flexible" engagement with youth associations or clubs rather than "formal" engagement in political parties.140

The low interest in politics among today's young people, especially when compared with previous generations, is not unique to Kosovo. Political parties elsewhere in the Balkans, in Europe in general, and farther abroad are all finding it difficult to attract youth.¹⁴¹

One key outcome from this lack of participation is that youth have limited access to political deci-

sion-making. The relative absence of young people means that many political parties are unaware of important concerns to them, and thus fail to develop strategies and policies to respond to such concerns.



Youth representation at different positions of influence in political parties is evaluated as very low by young people themselves. This is borne out by the small number of young politicians in leading positions. About 70 percent of the interviewed young people claim that youth are not represented sufficiently in politics (see Figure 4.11).¹⁴²

Participating in elections

The right to vote is a cornerstone of most democracies. Yet many people, including young ones, do not exercise this right. Voting rates among young people have in fact been in decline in the region, including in transition countries. For example, a report released in 2002 found that only one third of eligible young voters in Bosnia and Herzegovina voted regularly.¹⁴³ This lack of interest in most of the countries is due to the disappointment over the transition and distrust that elected political class shall work to keep their promises.

The share of young people who vote in Kosovo is also declining. As in Bosnia and other countries in transition, they are disappointed at the pace of change, do not trust politicians to keep their promises, and see little evidence that members of the political class are interested in the main problems facing youth.¹⁴⁴ Less than half (49 percent) of eligible young people voted in the most recent local and parliamentary elections; that was slightly lower than the overall participation rate (53 percent).¹⁴⁵

This trend could be reversed with the next elections, however. More than four fifths (81.4 percent) of those surveyed said they would likely vote because they would be the first elections after the final status of Kosovo is determined (see Figure 4.12).¹⁴⁶



The share (83.1 percent) of K-Albanian youth who said they would be voting was higher than among K-Serb respondents (63.5 percent). These relatively high percentages contrast with most young people's reservations about the existing election system. Only about 38 percent of those surveyed said the current system—which is based on closed lists prepared by parties—is fair and democratic. A majority support reforms of a radical nature to make the process more open and transparent (see Figure 4.13).



Trust in media

Media can play an important role in stimulating the civil engagement of youth and their active participation in the social and political life of the country. The impact of media depends, however, on the level of trust they engender among young people. Youth's inclination to trust media varies considerably around the world, and often the trends seem surprising because wealthier young people are more suspicious. According to a recent World Bank report, levels of trust in media have fallen or remained the same among youth in middle- and high-income countries, yet have generally increased in low-income ones.¹⁴⁷ Apart from the Scandinavian countries, trust is relatively low in countries of the European Union.¹⁴⁸



Kosovo youth retain a relatively high level of trust in the media. Nearly three quarters (73 percent) of those surveyed believed the media in Kosovo to be very credible or credible up to a certain point; only 5 percent thought the media were not credible at all (see Figure 4.14).¹⁴⁹ However there is a wide gap between the two largest ethnic communities in this regard. A majority (80 percent) of K-Albanian youth consider the media to be very credible or credible up to a certain point, while only one out of every three K-Serb youth does so.

The media in Kosovo are considered to be at the initial phase of development. International organizations have funded capacity building projects by training young journalists and moderators. Although the quality level is increasing, most observers acknowledge that most Kosovo media outlets have far to go before becoming fully responsible, professional and objective.

Today, young people have access to different sources of broadcasting and printed media, such as radio, television, press and the Internet. Most of these are private information sources. Television is the main source of information and the one most commonly used by youth. Radio is second in popularity, followed by the press and the Internet. This order is the same for all ethnic groups.

K-Albanian youth are more likely to prefer educational programs, with K-Serb youth fond of watching sporting events. Only 155 out of 1,200 of all youth surveyed said

they regularly watch news or information programs. And only 1 percent said they watched programs of religious content.

Media outlets focus more on K-Albanian youth than those of other communities—although that is to be expected to some extent because K-Albanians comprise the largest share by far. Whatever the reasons, members of other ethnic groups say they are less satisfied that their concerns receive attention in the media.

Figura 4.15: Media and youth needs



Yet even K-Albanian youth recognize the limitations of today's media in Kosovo. They and all other young people notice, for example, that the quality is far lower in comparison with media abroad. Thus it is not surprising that less than 8 percent of young people say that "fully" meets there needs. The majority of those surveyed (55 percent) said instead that media meets few of the requirements of young people (see Figure 4.15).

4.4 Priority policies and measure

Creation of participation culture

Public institutions, youth NGOs, and the media should cooperate in determining the necessary measures and activities that would help bolster a participation culture among the entire Kosovo society, and especially among public administration employees, within families and among young people. Mandating a special school course in civic education could be one potentially effective way to reach youth.

Developing a legal framework

The implementation of principles regarding youth participation is linked with the establishment of a legal and regulatory authority. This authority must recognize that stimulating greater engagement of young people is a vital goal of all Kosovo institutions. It should clearly define the rights, responsibilities and duties of all actors-institutions, education systems, family members and young people themselves-to involve youth in all aspects of society. Some key components of this dialogue include enabling greater democratization and transparency of relationships between public institutions and the public, increasing the integrity of public servants, limiting conflicts of interest in public institutions, improving access to information, and establishing transparent and modern codes of conduct across both public institutions and the private sector.

Supporting participation projects

Public authorities should support youth initiatives on participation. This would include not just financial support but also fostering administrative procedures that increase awareness and experience among youth, especially those who are more disadvantaged or geographically isolated. Information campaigns about these initiatives should be launched, and donors should be approached for support.

Monitoring policy implementation

Young people should be more involved in the process of monitoring decision-making and institutional policy implementation. Youth organizations could play an active role, for example, in monitoring public-sector reform processes designed to combat corruption, increase institutional transparency, and improve the quality of public administration services.

ANNEX 1

Human Development Report Survey - Kosovo 2006

During preparation of the 2006 Kosovo Human Development Report, Integra Consulting conducted a survey aimed at recording data and perceptions from Kosovo youth. Results from the survey are noted throughout the report, as are data and information provided by public statistical institutions of Kosovo and other key stakeholders within the Kosovo. Additional information was obtained from reports issued by international institutions and NGOs, among other sources.

Basic information on sample

The survey was structured based on two main criteria: age group and ethnicity. The sample included 1,200 persons aged between 15 and 29. One third (800) of those surveyed were K-Albanians, 200 K-Serbs, and 200 members of other minorities. The survey was conducted in both urban and rural areas of Kosovo. Geographical and ethnic distribution of the sample is listed in the table below. More than half (55.4 percent) of respondents were from rural areas, with the remainder from urban ones. The breakdown of rural and urban respondents by ethnicity is listed below.

Table 2: Distribution of the sample by ethnicity and by rural and urban areas (%)

| | K-Albanians | K-Serbs | Other minorities | Total |
|-------|-------------|---------|---------------------|-------|
| Rural | 54.4 | 66.0 | 49.0 | 55.4 |
| Urban | 45.6 | 34.0 | 51.0 | 44.6 |

Survey questionnaire

The questionnaire was drafted by Integra Consulting in cooperation with UNDP. It consisted of 100 questions grouped in nine separate categories based on the structure of the Human Development Report and its intended focus areas. The questions were aimed at collecting comprehensive and updated information about Kosovo youth. Some of the questions also focused on

Table 1: Geographic and ethnic distribution of the survey sample

| Region | Municipality | K-Albanians | K-Serbs | Other minorities | Total |
|-------------------------|---|-------------|---------|---------------------|-------|
| Mitrovicë/ Mitrovica | Mitrovicë/Mitrovica, Zveçan/Zvečan, Zubin Potok/Zubin Potok, Leposaviq/Leposavić, Vushtrri/Vučitrn, Skënderaj/Srbica | 90 | 84 | 32 | 206 |
| Pristina | Prstina, Podujevë/Podujevo, Obiliq/Obilić, Fushë Kosovë/Kosovo Polje, Shtime/Štimlje, Gllogovc/Glogovac, Lypjan/Lipljane | 302 | 42 | 45 | 389 |
| Gjilan/ Gnjilane | Gjilan/Gnjilane, Kamenicë/Kamenica, Viti/Vitina, Novobërdë/ Novobrdo | 69 | 36 | 7 | 112 |
| Ferizaj/ Uroševac | Ferizaj/Uroševac, Shtërpce/Štrpce, Kaçanik/Kačanik, | 51 | 7 | 2 | 60 |
| Prizren | Prizren, Suharekë/Suvareka, Dragash/Dragaš, Malishevë/Mališevo | 141 | 7 | 80 | 228 |
| Gjakovë/ Djakovica | Gjakovë/Djakovica, Rahovec/Orahovac | 63 | 8 | 2 | 73 |
| Pejë/Pec | Pejë/Peć, Istog/Istok, Klinë/Klina, Deçan/Dećane | 84 | 16 | 32 | 132 |
| Total | | 800 | 200 | 200 | 1,200 |



eliciting observations about the respondent's family and local community. Among other things, the survey sought to obtain general information about respondents; information about their families; their understanding and perception of youth participation in the society; and observations regarding social relations among young people, access of youth to public services and infrastructure, education, social status, and development and politics.

Survey implementation and methodology

The survey was conducted in numerous phases. First, the questionnaire was tested among 30 respondents, selected randomly, in Pristina. Experts involved in the preparation of the questionnaires participated alongside interviewers during this piloting process. Minor modifications to the questionnaire were made upon completion of this phase and analysis of results. Results from those surveyed in the pilot phase were included in the overall survey results.

The survey was conducted face to face with respondents who had been selected randomly by Integra Consulting based on basic, prearranged criteria. The respondents' details were kept confidential. Interviewers were instructed to obtain as many clear answers from respondents as possible. Integra Consulting supervisors observed numerous interviews on a randomly selected basis. Slightly more than one third (34 percent) of all questionnaires were checked for accuracy during the implementation phase; in another quality-control step, about 10 percent of respondents—who had given their contacts details to interviewers—were contacted later to confirm that they had been interviewed.

During the survey process, 24 persons declined to be interviewed either because they had no time or willingness to participate. More than half of those who refused were from Pristina. In addition, incorrect or inappropriate information rendered eight questionnaires invalid.

Focus group discussions

Integra Consulting also organized nine focus group discussions, with their criteria and membership determined in cooperation with UNDP. The nine separate groups included students, parents, unemployed individuals, war veterans, artists, civil servants, members of minority groups, political activists and politicians, and members of the business community.

UNDP also organized seven public discussions involving, among others, students, secondary school students, NGO activists, youth forum representatives from political parties and journalists. The discussions were held in six Kosovo towns (Peja/Peć, Gjakovë/Djakovica, Gjilan/Gnjilane, Ferizaj/Uroševac, Mitrovicë/Mitrovica and Rahovec/Orahovac), with another organized by the Department of Sociology of the University of Pristina. All of these roundtable discussions were relatively well attended, including by youth from other municipalities (including Prizren, Dragash/Dragaš, Deçan/Dećane, Istog/Istok, Klina/Klina, Suhareka/Suvareka, Malisheva/Mališevo, Skenderaj/Srbica, Kamenica/Kamenica, Novoberda/Novobrdo, Zubin Potok/Zubin Potok and Vitia/Vitina).

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Endnotes

- 1 For the purposes of this report, the terms "youth" and "young people" refer to persons aged 15 to 29.
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- 28 IMF, Aide Memoire, May 2006.
- **29** Kosovo is added for comparison by the authors of KHDR 2006 based on the approximate value of remittances.
- 30 According to ESI Report "Cutting the lifeline" of 18 September 2006 there is a decrease in overall remittances, however the recent IMF Aide Memoire of 19-27 February 2007 indicated that there is an increase in inflow of remittances in last two years.
- 31 In particular, a large number of migrants returned after 1999 from Germany and the United Kingdom. Both of those countries placed restrictions on immigrants from Kosovo, both before and during the conflict.

- 32 World Bank, Poverty Assessment in Kosovo, June 2005.
- **33** World Bank, Poverty Assessment in Kosovo, June 2005.
- 34 Ibid.
- 35 World Bank, Poverty Assessment in Kosovo, June 2005.
- 36 AED/ USAID, The Process of Kosovo's Future Political Status, 19 July 2006. The poll specifically asked if respondents thought it was important to determine the status at some point in 2006. No decision was made by the end of the year, however, because the UN special envoy delayed the release of his plan until 2007.
- 37 From roundtable discussions with youth in Pristina, Gjilani/Gnjilane and Ferizaj/Urosevac in 2006.
- 38 Ministry of Environment and Spatial Planing, Kosovo Spatial Plan 2005–2015, December 2005.
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- 40 UNDP, Kosovo Human Development Report, 2004.
- 41 Because there has been no reliable census in Kosovo since 1981, most population statistics are based on estimates. Per capita indicators are estimations as well. As a result, researchers and writers involved in drafting this report faced numerous dilemmas—including whether to present the range with maximum and minimum for all indicators, or to measure and report an average value only. The latter option was adopted to simplify presentation by presenting only one value for all calculated indicators.
- 42 Figure 1.13 is associated with the forthcoming figures 1.14, 1.15 and 1.16 which aim to explain how a country with a high HDI may also consist of other indicators, lower in value. This is part of the Global HDI methodology. The values are from different years.
- 43 The values are from the Global Human Development Report 2005, which referred to data from 2003.
- 44 Data for 2001 and 2004 are taken from UNDP's Human Development Report – Kosovo 2004.
- 45 More in-depth information about both HPI-1 and HPI-2 may be found by viewing the Technical Note of UNDP's 2006 Human Development Report. Available online at http://hdr.undp.org/hdr2006/pdfs/report/Techinical_ notes.pdf. Among the specific considerations are "probability at birth of not surviving to age 40, percentage of population without sustainable access to an improved water source, and percentage of people living below the poverty line."
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- 49 For this reason, a separate chapter in KHDR 2006 is dedicated to both youth education and employment. Each chapter analyzes the current situation and recommends specific priority measures and policies.
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- 61 MEST, Education, Science and Technology Strategic Development Plan 2007-2013.
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- 78 Dukagjin Pupovci, "The multiethnic education dream—fiction and reality in Kosovo higher education today", keynote analysis at international discussion entitled "Higher Education for Minorities in Kosovo", held May 2006 in Pristina.
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- 113 Data on vocational education are taken from the 2005 Annual Report of the public employment service.
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