GUARANTEEING A TRADE UNION VOICE IN THE YOUTH GUARANTEE PROCESS IN THE WESTERN BALKAN COUNTRIES





Research provided by independent expert Inga Pavlovaite, <u>ipavlovaite@hotmail.com</u>

Guaranteeing a trade union voice in the Youth Guarantee process in the western Balkan countries

Country report Kosovo



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KOSOVO



The situation of youth at work in the country

1

The situation of youth at work in Kosovo is characterised by a significant extent of youth unemployment as well as a high level of precarious youth employment. Key youth employment situation indicators for the country, other region's countries and EU27 average are provided in Annex 1, based on the official comparative statistics available in Eurostat¹ and the Eurofound's Working Conditions Survey² as well as national statistics in Kosovo.

The rate of youth unemployment is significantly above the EU average in Kosovo but it has decreased significantly over the past decade. According to the Kosovo Agency of Statistics, the youth unemployment rate in Kosovo decreased to 21.40% in 2022 from 38% in 2021.³ This is significantly above the EU27 rate of 10.2%. It is also very high compared to other countries in the region (for example, in North Macedonia the youth unemployment rate was 30% in 2020). The latest rate in 2022 is however a significant improvement from the all-time high of 61% in 2014. Looking at the trend, the

youth unemployment rate has declined significantly over the last 10 years, from 61% in 2014 to 21% in 2022. This is echoing the broad trend experienced in the EU, where the rate has declined from 18.8% in 2013 to 12.4% in 2022.

The situation of youth at work in Kosovo is precarious.⁴
28% of young people in 2021 reported having a standard indefinite employment contract, comparable to 59% young people with an indefinite employment contract in EU27. Flexible forms of employment, such as service contracts, temporary and occasional employment contracts, vocational training or internship contracts, and employment contracts through student or youth cooperatives, are often abused by employers (i.e. they are used instead of standard labour contracts). Also, young people in the country tend to work very long hours. In 2021, 45% of young people reported working 48 hours and more per week, which is significantly higher compared to 14% of young people reporting such long working hours in EU27.

¹ Database - Youth - Eurostat (europa.eu)

² European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu) covers all six western Balkan countries included in this research.

³ Kosovo Youth Unemployment Rate (tradingeconomics.com)

⁴ European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu) covers all six western Balkan countries included in this research.

The level of wages remains low, and this has been repeatedly emphasised in the consultations with the youth sections of the trade unions in the country. Whilst recent data on wages for young people is not available in the official statistics of Eurostat, survey based data from 2021 show a high level of dissatisfaction with the wages received. 41% of young people in Kosovo in 2021 stated that they do not feel they get paid appropriately, significantly higher than 30% of young people stating this in EU27.

The job instability is also high for young people in Kosovo with 29% of them reporting in 2021 that they might lose their job in the next 6 months, which is above the 17% of young people with fears of job loss in EU27. Young people also experience high levels of discrimination at work. 12% of young people Kosovo reported having experienced discrimination at work in 2021 in the previous 12 months of working. This is similar 13% of young people reporting discrimination in EU27.

Also the access to training for young people in Kosovo to be improved. In 2021, 32% of young people in Kosovo reported having on the job training in the past 12 months, much lower than 54% of young people reporting this in EU27.

In addition, a significant proportion of workers in the working age population is estimated to work in the shadow economy, receiving either full or part of their wages in undeclared way, and thus not benefiting from the social security full coverage.⁵ Estimates indicate around one third of the workforce engaged in one of the forms of the undeclared work in **Kosovo**.

Kosovo is also affected by the brain drain, especially amongst young people. Six countries in the western Balkans are among the top-ranked countries with the biggest brain-drain in the world. The Global Competitiveness Report developed the scale of 1 to 7 (1= all talented people leaving the country; 7= all talented people staying in the country). In this assessment, BiH scored 1.76, followed by North Macedonia (2.13) and Serbia (2.31). In the last three decades, due to the emigration, Serbia has lost 9 percent of its citizens, North Macedonia 10 percent, Bosnia and Herzegovina 24 percent, Kosovo around 20 percent and Albania 37 percent. Mostly young, educated, and skilled people who decided to leave their country due to poor democratic



⁵ Policy-brief_Hidden-Economy-and-Undeclared-Labor-in-Macedonia-Albania-and-Kosovo-1.pdf (idmalbania.org)

⁶ Focus_Article_Brain_drain__Sept2020.pdf (wbc-rti.info)

⁷ Toward a New Youth Brain-drain Paradigm in the Western Balkans | German Marshall Fund of the United States (gmfus.org)

and economic conditions and low quality of life. Some estimates show that the region will lose around 1 million youth in the forthcoming decade.⁸

This translates into negative labour market outcomes for young people in Kosovo. The rate of young people neither in education, employment or training (NEET rate) was very high with 31.7 % of those aged 15-24 not in employment, education or training in 2022 (last year for which data is available). This is twice as much as the 15% NEET rate in EU27. However, the trend is positive as the NEET rate was reduced in the country since 2013, indicating some progress addressing the NEET issue.

Moreover, young people bore the brunt of the economic consequences of the COVID-19 pandemic. In the Western Balkans, the loss of employment and the rise in inactivity has not – in general – been offset by a return to education. NEET rates in the Western Balkan economies remained above the pre-crisis level, although in some cases they declined from their peak. In ILO research has shown that young people were especially prone to high level of job vulnerability in the pandemic context given the service sectors they are over represented in and the informal type of employment relationships they tend to have in the labour market.

⁸ Friedrich-Ebert-Stiftung, FES Youth Studies Southeast Europe 2018/2019.

⁹ English-2023.pdf (unicef.org)

¹⁰ News, articles and events on youth employment (Youth Employment) (ilo.org)

¹¹ COVID-19 and the World of work: ILO/EBRD rapid assessment finds coronavirus crisis cost Serbia equivalent to 510.000 full-time jobs

The national policies on youth employment in the country

2

In Kosovo, there is an overarching national strategy on youth. Kosovo has in place a National Youth Strategy and Action Plan (NYSAP) 2019-2023, developed through a consultation process. The NYSAP foresees three main intervention areas: (1) Active youth participation, representation and citizenship; (2) Labor market skills and entrepreneurship; and (3) A healthy and safe environment for youth. One strategic objective was formulated for each of the priority areas of intervention, including "to (ii) Endow youth with labor market skills and competencies; and (iii) Provide a healthy and safe environment for youth." ¹²

The Ministry of Labor and Social Welfare's (MLSW) Action Plan for Increasing Youth Employment (APIYE) aims to increase the access of young people to the labor market, increasing employment through entrepreneurship development, harmonizing vocational education and training with labor market requirements and providing career guidance and counselling services and the enhancement of the quality of practical teaching in schools and vocational practice outside the school.



¹² Strategy - Ministry of Culture, Youth and Sport (mkrs-ks.org)

The national government and the national Employment Service (ERAK) has been implementing several generic and specific employment measures targeting youth. They include support to job search, advice, guidance, counselling, subsidised employment, support to training and re-training and support for youth entrepreneurship and others.

Furthermore, an intergovernmental group has drawn up a multiannual Youth Guarantee Implementation Plan. Implementation will be supported by IPA III (INSTRUMENT FOR PRE-ACCESSION ASSISTANCE) funding, among others. One challenge will be reaching out to and activating NEETs, given that by far not all of them register with the Employment Agency (EARK)¹³. It has prepared a first Youth Guarantee Implementation Plan, which the Government intends to adopt. The

Ministry of Finance, Labour and Transfers (MFLT) will oversee implementation. The EARK will take charge of the YG service delivery system and the YG monitoring framework. MESTI will intensify actions related to 'early interventions' - preventing young people from becoming NEETs. MESTI will also upgrade the Education Management Information System to include data on the YG. The Ministry of Culture, Youth and Sport will coordinate initiatives related to outreach, in partnership with NGOs. The first year of implementing the Plan will focus on carrying out further research or mapping, among others, to obtain a better profile of the NEET population and analyse skills and job opportunities in Kosovo's provinces, to prepare the groundwork from the point of view of legislation and readiness of EARK staff, and to pilot the monitoring of NEETs in YG measures in two provinces.

¹³ Country Fiche_Kosovo_2022_EN_web.pdf (europa.eu)

Trade unions and youth employment in the country

3

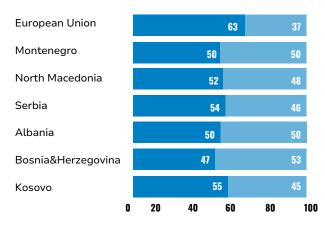
Whilst some young people know about the trade unions in their workplaces, the involvement of trade unions at the workplaces could be further enhanced. As shown below, 55% of young people in 2021 in Kosovo reported that their organisation had a trade union, works council or a similar structure representing the employees. The proportion for EU27 was higher, with 63% young people reporting this. Comparatively

low is the presence of health and safety delegate or committee in the workplaces, a key factor in supporting effective occupational health and safety at work for young people entering their working careers. 29% of young people in 2021 in **Kosovo** reported this, against 73% of young people reporting a health and safety delegate or committee in EU27.

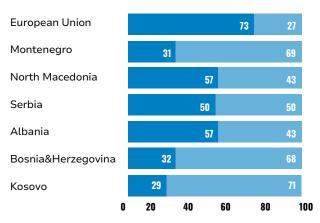
FIGURE 1

THE PRESENCE OF TRADE UNIONS IN THE WORKPLACES OF YOUNG PEOPLE, 2021

Does your organisation have a trade union, works council or similar committee representing employees?

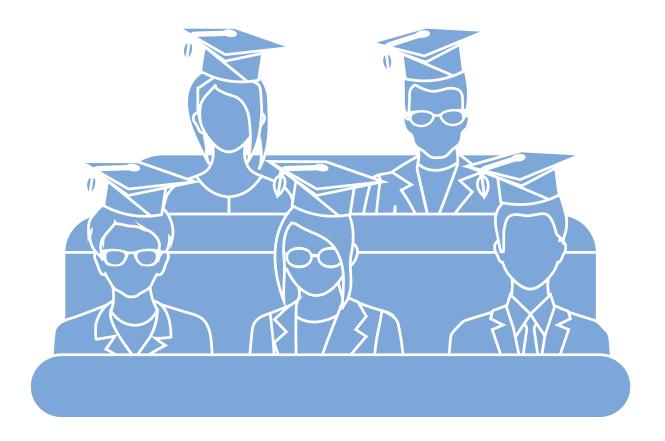


Does your organisation have a health and safety delegate or committee?



Source: Respondents under 35, European Working Conditions Survey, 2021, Europeand, accessed 21 November 2023.

<u>European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu)</u>



The second area of improvement relates to how the government consults with the trade unions in general and youth sections in particular on developing the youth employment measures and approaches. As highlighted in the consultations with the youth sections in the trade unions, such consultation is formal and "on paper". Overall, the formal process is followed (e.g. tripartite bodies meet, trade unions are sent the government policy documents in advance). In practice, however, there is little or no genuine joint consultation, as documents

containing policy proposals are sent with short notice to provide a considered response. Often the final shape of policy proposals is provided, with few possibilities for youth sections to provide inputs or suggest changes or concrete ideas for improvements. When tripartite meetings take place, they are used to approve the finalised documents, as opposed to being places for debates, exchanges or shaping the emerging policies on youth employment.

The EU initiatives for youth employment in the country

4

At the policy level, there is a strategic commitment to support youth employment in the western Balkan region. In particular, in the second EU-Western Balkans Ministerial Meeting on Employment and Social Affairs on 8 July 2021, the national ministers for employment endorsed a "Declaration on ensuring sustainable labour market integration of young people" 14 where they committed to



"Resolve to set up inter-sectoral task forces involving relevant bodies, agencies and stakeholders, including the social partners, youth organisations and other non-governmental organisations, and to develop or update, respectively, Youth Guarantee Implementation Plans by June 2022"

The key policy commitment from the EU side has been the support to the implementation of the Youth Guarantee in the western Balkan region.¹⁵

The EU's Economic and Investment Plan for the Western Balkans is the main EU policy response in the region and was adopted in 2020. The Plan refers to investments on Youth Guarantee measures and the capacity building of social partners and further enhancement of the social dialogue.¹6 The Youth Guarantee for the western Balkans is one of the 10 flagship measures, to be introduced in four phases. Overall, the Plan envisages up to €30 billion in investments, including up to €9 billion of EU grant funding for all 10 flagship measures. No specific funding is allocated for individual flagship measures.

Since 2021, the European Commission provided support the national institutions responsible for youth employment policy in the Western Balkans in introducing a youth guarantee (YG). On 14 October 2021, the European Commission, together with the International Labour Organization (ILO) and the European Training

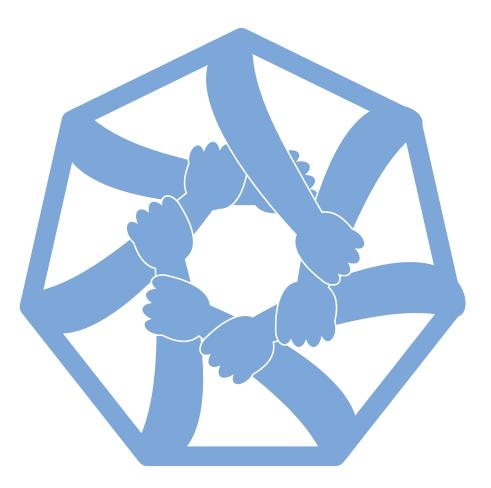
¹⁴ ESAP2 | Western Balkans Declaration on ensuring sustainable labour market integration of young people

¹⁵ The reinforced Youth Guarantee - Employment, Social Affairs & Inclusion - European Commission (europa.eu)

¹⁶ European Commission launched an additional €2.1 billion investment package for the Western Balkans under the Economic and Investment Plan (europa.eu)

Foundation (ETF), and representatives from the Western Balkans launched the preparation of Youth Guarantee (YG) Implementation Plans (YGIPs) and the Technical Assistance Facility (TAF) to support this process. The declaration also recognised the importance of involving international partners and donors in the process to

ensure effective coordination of cooperation efforts. Under the Technical Assistance Facility (TAF), the relevant authorities and stakeholders from the Western Balkans will receive support from the ILO and the ETF for designing Youth Guarantee schemes.¹⁷



¹⁷ Bolstering the resilience of youth in the Western Balkans | ETF (europa.eu)

Key policy pointers

5

RESEARCH FINDINGS POINT TO THE FOLLOWING ACTIONS TO FURTHER SUPPORT QUALITY JOBS FOR YOUTH

From the perspective of the national government, it should:



 Develop a comprehensive strategy for addressing youth quality jobs;



Improve the information and implementation (the quality of offers, outreach and outcomes) under the existing national measures;



Make good use of funds available under the EU funds for supporting youth quality jobs.

The pointers for trade unions themselves are as follows:



Engage more with young people and make their voices heard;



▶ Trade union activists can network and exchange more across the region and with ETUC youth sections in EU27.

Annex 1

Key statistics – youth employment situation in the western Balkan region

TABLE 1

YOUTH UNEMPLOYMENT RATE, AGE GROUP 20-29

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	18.8	17.9	16.4	14.9	13.3	12.0	11.1	12.4	12.0	10.2
Montenegro	28.8	29.1	27.5	27.0	25.8	25.8	22.3	29.6	:	:
North Macedonia	44.1	43.7	42.3	39.2	37.9	35.5	30.1	28.6	:	:
Serbia	39.7	35.6	33.2	28.9	25.3	23.3	20.2	19.1	18.7	15.4

Source: Eurostat, Youth unemployment by sex, age and educational attainment level [yth_empl_090\$defaultview], accessed 21 November 2023. <u>Database - Youth - Eurostat (europa.eu)</u>

FIGURE 2 TYPES OF EMPLOYMENT HELD BY YOUNG PEOPLE, 2021

What kind of employment contract do you have in your main paid job?



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023.

European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu)

Up to 20

21-34 35-40

41-47 48+

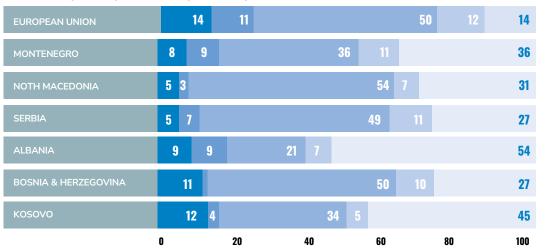
nor disagree

to disagree

FIGURE 3

THE NUMBER OF WEEKLY WORKING HOURS BY YOUNG PEOPLE, 2021



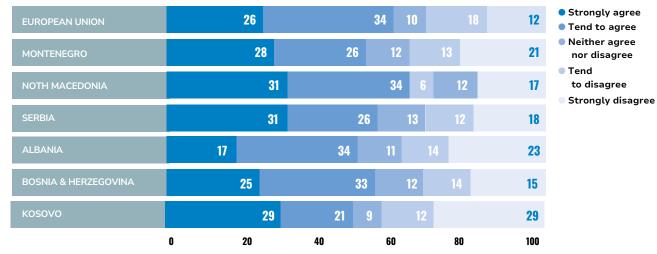


Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu)

FIGURE 4

LEVEL OF SATISFACTION WITH THE CURRENT WAGES BY YOUNG PEOPLE, 2021

Considering all my effort and achievements, I feel I get paid appropriately

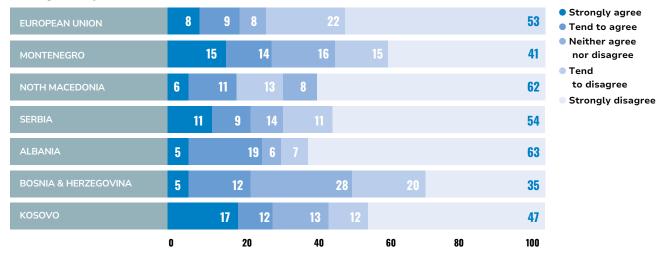


Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu)

FIGURE 5

THE LEVEL OF JOB STABILITY BY YOUNG PEOPLE, 2021

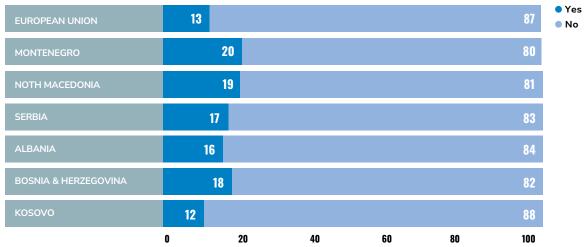
I might lose job in the next 6 months



Source: Respondents under 35, European Working Conditions Survey, 2021, European Horking Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europeaeu)

FIGURE 6 THE LEVEL OF DISCRIMINATION AT WORK BY YOUNG PEOPLE, 2021

• Have you been subjected to discrimination at work in the last 12 months?



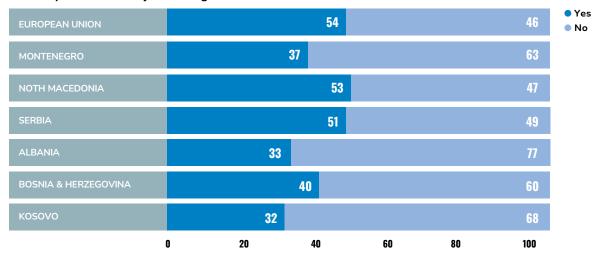
Source: Respondents under 35, European Working Conditions Survey, 2021, Europeand, accessed 21 November 2023.

<u>European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu)</u>

FIGURE 7

THE LEVEL OF TRAINING AT WORK BY YOUNG PEOPLE, 2021

Have you had on-the-job training in the last 12 months?

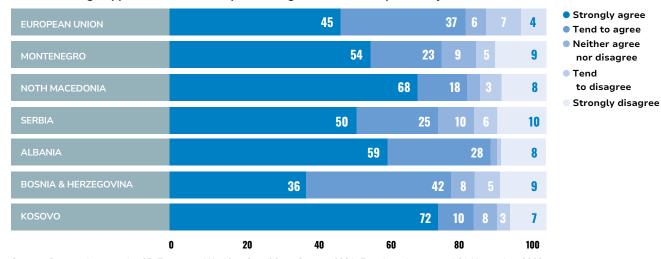


Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu)

FIGURE 8

THE LEVEL OF USING OWN SKILLS AT WORK BY YOUNG PEOPLE, 2021

I have enough opportunities to use my knowledge and skills in my current job



Source: Respondents under 35, European Working Conditions Survey, 2021, Eurofound, accessed 21 November 2023. European Working Conditions Survey | European Foundation for the Improvement of Living and Working Conditions (europa.eu)

nor disagree

to disagree

TABLE 2

PERSONS AT RISK OF POVERTY OR SOCIAL EXCLUSION (% OF AGE GROUP 20-29)

	2015	2016	2017	2018	2019	2020	2021
EU27	27.6	27.7	25.8	24.9	23.7	24.5	24.9
Montenegro	41.1	41.9	41.3	39.6	34.4	35.5	37.4
North Macedonia	36.1	33.9	32.2	32.9	31.0	29.8	:
Albania	:	:	53.4	47.7	45.5	39.8	:
Serbia	38.9	32.7	35.7	32.0	29.1	27.0	28.8

Source: Eurostat, Persons at risk of poverty or social exclusion by age and sex [ilc_peps01n_custom_8027520], accessed 21 November 2023. <u>Database - Youth - Eurostat (europa.eu)</u>

TABLE 3

NEET RATE (% OF AGE GROUP 20-34)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	20.5	20.0	19.5	18.8	17.7	17.0	16.4	17.8	16.6	15.0
Montenegro	32.1	30.5	30.6	29.2	28.2	27.5	28.8	34.0	:	:
North Macedonia	39.0	39.7	39.9	37.7	37.4	36.3	31.2	32.2	:	:
Serbia	33.1	31.4	29.8	27.2	26.1	24.1	22.7	23.8	22.1	19.2

Source: Eurostat, Young people neither in employment nor in education and training by sex, age and labour status (NEET rates) [edat_lfse_20__custom_8026264], accessed 21 November 2023. <u>Database - Youth - Eurostat (europa.eu</u>)

TABLE 4

THE LEVEL OF OVER QUALIFICATION (% OF AGE GROUP 20-34)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EU27	26.3	27.1	26.8	26.6	26.6	26.1	25.5	24.7	24.3	24.5
Montenegro	13.9	20.9	19.8	20.9	15.9	16.4	19.3	20.8	:	:
North Macedonia	24.0	27.0	31.5	28.4	27.7	28.9	33.0	33.2	:	:
Serbia	29.0	28.9	32.9	31.0	33.5	35.6	33.3	33.8	31.0	31.3

Source: Eurostat, Young people neither in employment nor in education and training by sex, age and labour status (NEET rates) [edat_lfse_20__custom_8026264], accessed 21 November 2023. <u>Database - Youth - Eurostat (europa.eu)</u>



ETUC - European Trade Union Confederation

Bld du Jardin Botanique 20 - 1000 Brussels

Tel. + 32 (0)475 601 501

Contact: Niklas Franke nfranke@etuc.org

Lucie Susova <u>lsusova@etuc.org</u>

www.etuc.org





