



# THEMATIC FACT SHEET

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Swiss Agency for Development  
and Cooperation SDC

## EMPLOYMENT AND INCOME IN THE WESTERN BALKANS



In Kosovo young people are given realistic training exercises to prepare them for employment.  
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people which has become one of the main obstacles to the development of this region.

Improving the level of training of young people is a necessary and important objective but this may not be enough to enable a large number of young people to find work if the capacity of the economy to create jobs is not strengthened. As a result, without real employment or prospects, an entire generation is becoming discouraged and, increasingly, young people are deciding to try their luck abroad. On the one hand, this exodus of potential labour is a loss of human capital, skills and innovative spirit. On the other, the high level of unemployment is increasing the risk of political conflict and organised crime. Given these challenges, the approach of the SDC's job creation programmes for young people in different countries of the Western Balkans includes, in addition to vocational education and training, placement services and support for companies in creating new jobs.

Employment and income, which is one of the SDC's priority themes, focuses the work of the agency on economic aspects, in particular financial-sector development, the private sector, and vocational education and training. In the Western Balkans, projects and programmes are concentrated on promoting the private sector and vocational education and training. The SDC supports concrete activities and the implementation of reforms to enable the local population to enjoy better working conditions and higher incomes.

### Background

The fall of communism in Albania and the collapse of Yugoslavia brought about a change in the political and economic systems. The subsequent weakening of vocational training institutions and the dismantling of state enterprises caused the collapse of vocational education and training systems. In addition, the private sector is small with a large part of it remaining informal and unable to absorb current demand for employment. This has led to an exceptionally high level of unemployment among young

### Vocational education and training

The SDC supports the reform of vocational education and training systems in the Western Balkans through initiating dialogue between employers and education institutions. It is therefore active in promoting a stronger role for the private sector in the development of training programmes, applying those aspects of the Swiss system of vocational education and training that have made it successful. It also promotes inclusive education with targeted measures focusing specifically on vulnerable and disadvantaged groups. The SDC also aims to formalise procedures for cooperation among employers, job seekers, placement services, training institutions and state authorities.

In Kosovo, SDC supports the creation and operationalization of Industrial Boards. They revise the curricula of electronics and informatics courses and support their introduction. The university would like to

introduce this model also to other faculties. The first 420 future technicians and engineers profit already now from labor market adapted curricula.

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### Placement services

Placement services are an essential intermediary between the vocational education and training system and employment. These services also offer valuable vocational guidance support which helps to match the expectations and skills of job seekers with the needs of employers or with the opportunities that are available for self-employment. The SDC contributes to the reform of these placement services, in particular by establishing funding processes and models between public and private placement services and potential employers, it also sets up databases on job vacancies and demand for employment, and involves the media in the dissemination of information on the expectations and offers of employers with regard to the job market.

In Albania, for example, the SDC has helped its partners to publish information about the job market in the media. It has also trained trainers in NGOs and national employment agencies to enable them to support young people in the first steps of their professional lives. For vulnerable groups it has developed measures to ease their professional integration.

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### Market development

To create new jobs, companies must be able to operate in a transparent, stable, and business-friendly environment; they must be integrated in efficient value chains that meet market demand, and they must be able to benefit from technical support and management and financial services. Small and very small companies are especially important since they are often the main providers of employment. The SDC helps them to operate more efficiently in the market and improve their management capacities, and it encourages them to work independently. It also contributes to improving the regulatory and economic conditions of the market by supporting policies and projects on good governance and by promoting the private and financial sectors. Concerning added-value chains and support services, the SDC plays a facilitating role by helping different actors to network and encouraging productive cooperation mechanisms.

In Bosnia and Herzegovina, for example, the SDC is aiming to develop new markets in information and communication technologies, in the agro processing sector and tourism. In first choosing the information and communication technology sectors, the SDC aims to attract young men and women to a market with considerable growth potential. The programme

is also designed to improve the legislative framework for companies and support services for the private sector through the provision of vocational education and training geared to demand in the job market.



On-the-job training: young people get their first practical experience of work. ©Vedat Xhymshiti

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