EUROPEAN CENTRE FOR MINORITY ISSUES KOSOVO

Socioeconomic Conditions in Northern Kosovo
Factsheet on Employment and Local Economy

This thematic factsheet seeks to provide a specific overview of the findings reported in the recent survey on the "*Socioeconomic Conditions in Northern Kosovo*". The full comprehensive narrative of the report, issued by ECMI Kosovo in collaboration with the Ministry of Foreign Affairs of Finland and the British Embassy in Prishtinë/Priština, is available in pdf on ECMI Kosovo official webpage, under our "Publication" section: https://ecmikosova.org/publications/.

The objective of this report, based on the perceptions and subjective opinions of the respondents, is to spotlight issues encountered by northern Kosovo residents in their daily lives, to voice their needs, concerns and aspirations. The report shows a quantitative and qualitative analysis of answers from a questionnaire administered to a sample of 721 respondents living in the four municipalities of Mitrovica/Mitrovicë North, Leposavić/Leposaviq, Zubin Potok and Zvečan/Zveqan. When analysing and comparing responses between municipalities, it is very important to remember that the questionnaire addresses perceptions and not necessarily the objective reality of the current situation.

For the sake of clarity, all the data and figures published in the following factsheet refer to the abovementioned report – where not otherwise specified.

Introduction

For 42% of the general population, unemployment in northern Kosovo is the biggest problem in Kosovo and accordingly calls for the most urgent improvements[1]. High unemployment rates are an impediment not only to returning, but also to staying in the region. This is the case for all members of the community as younger people tend not to speak both official languages in Kosovo, older ones do not have the necessary marketable skills, and all potentially face discrimination in hiring based on their ethnic background[2]. The quality of the labour market and access to employment opportunities is detrimental to the overall quality of life for any community and its members.

Key Findings

- Temporary[3] workers are over-represented in the labour market.
- The public sector is considered the most reliable source of employment, leaving the private sector as a largely untapped opportunity.
- The private and agricultural sectors are not considered to be strong sources of income generation.
- Infrastructures across all sectors are deemed below average.

I. Labour Market

Participants who were employed were divided into temporary and permanent workers. In the context of the survey, temporary work was considered as either occasional or part time employment. According to this self-reported analysis of the labour market, people living in the four municipalities have a much harder time getting a

[1] UNDP, *Public Pulse Poll: Fast Facts V*, Nov. 2012 *available at* http://www.kosovo.undp.org/repository/docs/2012/Fast_Facts_5-Final.pdf, at p. 5.
[2] International Crisis Group, *Setting Kosovo Free: Remaining Challenges*, 10 Sep. 2012 *available at* http://www.crisisgroup.org/~/media/Files/europe/balkans/kosovo/218-setting-kosovo-free-remaining-challenges, at p. 21.
[3] In the context of the survey, temporary work was considered as either occasional, short-time or part-time employment.

stable job and are over-represented in precarious jobs. These usually have a shorter duration and provide limited stability; such workers are often the first to lose their jobs in times of adverse economic conditions and the last to be recruited during an economic expansion. Furthermore, 30% of respondents in Leposavić/Leposaviq, 39% in Mitrovica/Mitrovicë North, 26% in Zubin Potok, and 46% in Zvečan/Zveqan reported that their employment income is insufficient. It should however be considered that people in any circumstances could desire higher income.

Lack of skills and educational background may seriously hamper locals' ability to enter the labour market and get decent work. The report signals a significant problem with the labour market in northern Kosovo that affects young people disproportionally.

II. Economic Development

The responses were based on the self-reported sectors of employment. Throughout the four municipalities, 37% participants reported being employed in the private sector, 41% in the public sector, only 2% in the agricultural sector and 19% in SMEs. Generally, public employment is highly sought after for its security, but this does not mean it is necessarily as stable in northern Kosovo. Aggregated responses about employment generation did not vary significantly between sectors, with a total of 67% agreeing that the private sector generates sufficient opportunities, 78% regarding the public, 79% regarding the agricultural and 87% SMEs.

Private Sector

Perceptions about the private sector are mixed: 38% of participants thought that income generation from the sector is almost sufficient and 20% found it insufficient. Yet, the infrastructure received slightly more positive reviews: 27% found it somewhat satisfactory and 36% neither satisfactory nor dissatisfactory. In the more isolated and rural municipalities, a total of 90% regarded income generation from the private sector as insufficient or almost sufficient, and 60% perceived infrastructure as dissatisfactory or somewhat dissatisfactory.

Public Sector

Perceptions about the public sector tend to be more positive, possibly because of Yugoslav historical legacy. A total of 46% thought income generation from the public sector is sufficient and a similar 40% thought infrastructure is somewhat satisfactory.

Agriculture

From the three sectors, income and infrastructure of agriculture is deemed least satisfactory. Perceptions about infrastructure are particularly negative in northern Kosovo, with 43% finding it outright dissatisfactory and only 2% as satisfactory.

Recommendations

- Intensify efforts to improve socioeconomic security, skills and training opportunities for young people.
- Increase abilities of the private sector to generate income through conditions encouraging entrepreneurship.
- Improve infrastructures across municipalities to build a more conducive business environment.