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## EMPOWER PRIVATE SECTOR ACTIVITY

QUARTERLY REPORT #4: APRIL-JUNE 2015



*The President of Kosovo, together with KosovaTex, the leading producer of jeans in Kosovo, supported a training program for 20 unemployed rural women that was organized by the USAID Kosovo EMPOWER Private Sector program. Over the course of this six-month program, twenty women will learn how to cut and sew jeans that are manufactured for the domestic and export markets. Most if not all of them will be employed by KosovaTex at the conclusion of the training.*

**August 5, 2015**

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# EMPOWER Private Sector

## QUARTERLY REPORT #4: APR-JUN 2015

**Submitted by:**

Cardno Emerging Markets USA, Ltd.

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EMPOWER Private Sector

**DISCLAIMER**

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## Acronyms

<b>CFO</b>	<b>Chief Financial Officer</b>
<b>CO</b>	<b>Contracting Officer</b>
<b>COP</b>	<b>Chief of Party</b>
<b>COR</b>	<b>Contracting Officer's Representative</b>
<b>EOI</b>	<b>Expression of Interest</b>
<b>GoK</b>	<b>Government of Kosovo</b>
<b>HR</b>	<b>Human Resources</b>
<b>IFC</b>	<b>International Finance Corporation</b>
<b>IP</b>	<b>Implementing Partner</b>
<b>IT</b>	<b>Information Technology</b>
<b>NOA</b>	<b>New Opportunities for Agriculture Project</b>
<b>ORGCAT</b>	<b>Organizational Capacity Assessment Tool</b>
<b>PAD</b>	<b>Project Activities Database</b>
<b>PBMS</b>	<b>Performance Based Management System</b>
<b>RFP</b>	<b>Request for Proposal</b>
<b>SAF</b>	<b>Strategic Activities Fund</b>
<b>SASR</b>	<b>Sector Assessment and Selection Report</b>
<b>SMEs</b>	<b>Small and Medium Enterprises</b>
<b>USAID</b>	<b>United States Agency for International Development</b>
<b>VET</b>	<b>Vocational Education and Training</b>
<b>WfD</b>	<b>Workforce Development</b>

## 1. PROJECT OVERVIEW

The USAID Kosovo EMPOWER Private Sector (hereinafter: EMPOWER) project is designed to stimulate large-scale job creation by elevating the competitiveness of Kosovo firms. This means helping them identify and connect to market opportunities, improve product design and quality, increase productivity, upgrade management and workforce skills, and expand access to finance. Considering that Kosovo continues to struggle with high levels of poverty and unemployment, over-dependence on imports, and an underdeveloped export sector, it is the mandate of EMPOWER to materially address these critical development problems. To achieve this, EMPOWER concentrates on three objectives with corresponding components:

- **Component 1: Increasingly competitive and market-oriented Small- and Medium-Sized Enterprises (SMEs);**
- **Component 2: Job-creation;**
- **Component 3: Strengthen capacity of local partners.**

EMPOWER has selected certain growth-ready sectors for intensive support, but will also continue to seek out and take advantage of opportunities for expansive job creation in any value chain, through workforce skills development and attraction of foreign and domestic investment. The activity has an affirmative focus on assisting underemployed and disadvantaged populations. It includes North Kosovo in all of its activities. It will expand earning opportunities for women, and will encourage the elevation of women into senior business management roles.

An important element of EMPOWER is building the institutional and professional capacities of local economic development service providers to enable wide outreach to businesses throughout Kosovo. In order to maximize impact, the project will also collaborate closely with all private sector development programs with similar goals sponsored by international financial institutions, other bilateral donors, and national and local Kosovo government agencies.

## 2. HIGHLIGHTS DURING THE REPORTING PERIOD

While for the first three quarters of the project, EMPOWER was engaged in activities that dealt with usual project start activities, including promotion of EMPOWER objectives, and opportunities it will bring to the private sector. During this time we also met and visited a great number of companies, institutions, donors and other relevant stakeholders. The visits and meetings were conducted with the aim to understand in the best way, who is doing what, what are the needs, what are the obstacles, opportunities, and is there a market for those opportunities. Fourth quarter clearly shows that this approach was right and necessary in order to have a great start such as EMPOWER did. As a result of this approach, in the fourth quarter we report some concrete activities, direct investments opportunities with great job creating opportunities.

That fact that we received over 791 Concept Notes from all different regions of Kosovo shows that EMPOWER had an excellent approach and promotion strategy to show to the private sector community that it is here help and support them in their path to growth, access to new markets, increased sales, improved quality and most importantly that we are here to help in creating new jobs.

EMPOWER has created one great, motivated, responsive, professional, and highly regarded team from the business community, by being a part of them on daily basis, visiting their factories and workshops, listening to what their problems are, identifying together with them the obstacles, and continuously advising and serving them on how to resolve those issues.

Overall EMPOWER met and in many cases exceeded results targeted in year one (1). Some examples of these results are.

- We planned to identify 50 candidates for investment in both components of the project in the first year, we identified 64 or **14 more than planned**.
- We planned to have 20 investment opportunities selected for interventions, we selected 52 investment opportunities or **32 more than planned**
- We planned to have 48 beneficiaries in the first year including SME in supply chain, we have 85 primary beneficiaries or **37 more than planned** not including SME's in supply chain which is 247.
- We planned an increase sales for 6 million, with selected interventions sales will increase for 14.6 million.
- We planned 250 jobs for the first year, selected interventions for this period will create **1,567 jobs over the period of three year**.

We understand that the results on sales and jobs are still to be completed, but we are very confident and, because of our careful selection, detailed analyses of interventions, the targeted results will be actually achieved and exceeded in a very short period. EMPOWER plans to continue with identification of more opportunities and selection of those with potential for growth, increase sales, new markets, new products and new jobs. As a result the cumulative numbers of achievement will increase on each quarter.

**Wood Sector** proved to find its place in focus sectors. The opportunities identified and selected show that this sector has the greatest potential in meeting and exceeding what are the objectives of EMPOWER. Leader companies of this sector but also those that follow are showing that Kosovo wood processing industry is finding its way as respected industry in the region but also in European market. Examples of Binni, Tefik Canga, Ciao Berto, and from next quarter Palma are the best proof of that each one of these companies are very serious in replacing the imported wood products but also exporting the Made in Kosovo wood products. Very important element of this process is that the others are following. In one of regular visits to potential beneficiaries from Shtimje (Model Kosova) when we asked what his midterm plans are he said “I want to become same as Binni”. The enthusiasm of wood processing companies is also proven in cases where EMPOWER decided to invest through grants. The ratio of co-financing from grant recipients is 1 to 8.

**Apparel Sector** is another confirmation of correct decision from Sector Assessment and Selection process to its home in priority sectors. The number of applications and visits in the field are showing that Apparel Industry is boosting and that there is a great interest from companies to expand their production capacities and varieties, improve quality by bringing new technologies, with the aim of getting new markets locally and internationally.

As the process of selection of applications for awarding with grants is competitive, and due to the limited amount of grant funds, EMPOWER will be able to award only limited number of applications. Only for this quarter and only for Apparel Sector the amount of grant funding requested is double from what EMPOWER total grant fund currently is. EMPOWER will select the best applications but will also identify companies that are worthy supporting although there are no funds available now. These identified good opportunities will be recorded as potential beneficiaries of grants in the future if the funds will become available, or if we find other ways for support.

In regards to **Energy and Energy Efficiency Sector**, a new cluster “recyclers” is added to the previously identified clusters: a) wood biomass fuel producers and stove producers; b) insulation production companies, c) geothermal/thermic pumps and solar installers/producers and d) recyclers ( plastic, oil, paper, carton and other). During Q3 and Q4, the wood biomass cluster was thoroughly assessed and two cluster round tables were organized, first one on March 25, 2015/Q3 and second on July 9, 2015/Q4, in both cases challenges and opportunities were identified, while in the last round table meeting Program was shared an action plan with the stakeholders regarding this cluster

Total number of CN for **Energy and “Other” Sectors** received is 247. Total amount of grant funding requested for these two sectors is ~€15 million. EMPOWER received and identified several interesting investment opportunities in “Other” sector, they represent relatively unique production for Kosovo, it is worth mentioning wet wipes producer, vehicle air filter producer, paper bag producer and woman owned business of sweets production. These companies are export oriented companies (not excluding local market) with high export expansion and product diversification opportunities. Therefore, EMPOWER is planning to support their expansion investment at the initial stage and continue support on identification of new markets and product quality improvements/certifications.

EMPOWER has identified 3 main clusters of **Tourism Sector**: a) tour operators; b) hotel and lodging service providers; c) outdoor/adventure activity providers. During Q4, EMPOWER focused its activities on identifying and analyzing cluster of outdoor adventure activity providers. We have inventoried the major activity providers in the cluster and assessed their capacities in service provision and their needs in product development as well as equipment for improving the current products as well as introducing new products.

In collaboration with USAID/REG and SDC PPSE, EMPOWER organized a 2-day training in adventure tour operator business management and marketing, followed by a half-day B2B. Participants were some fifteen regional (Albania, Macedonia, BiH) and thirty Kosovo outdoor and adventure tour operators. The training was led by two highly experienced international tour operators. The training included real-world case studies. More than one participant called it “the best tourism training ever held in Kosovo”. Mission Director Jim Hope handed out the certificates at the closing. A second round of the training is planned for October 2015.

During this quarter EMPOWER team continued going out in the field and meeting with businesses from **ICT Sector**. The EMPOWER team had 12 meetings with different businesses from Private ICT sector. The purpose of these visits was to identify actual opportunities for firm-level sales expansion, to assess the potential job-creation impact of those opportunities, and to describe what stands in the way of companies realizing those opportunities. As a result of these visits and meetings, in this quarter we have identified four (4) activities to support in next quarter. Majority of needs in this sector are in workforce development, more specifically in training workers for concrete market opportunities, which require more qualified software developers, application developers and software testers.

In the reporting period EMPOWER continued actively to work with the businesses in the North Kosovo. At least 40 businesses and individuals have been visited by EMPOWER office in the North in order to get additional information. EMPWOER received 128 Concept Notes from companies that are based in Northern Municipalities of Kosovo. Total requested amount of funds from these 128 applicants is €4.6 million.

Up to this reporting period there are 12 Concept Notes approved by EMPOWER. From these one grant agreement is approved and signed. The total amount of required funding for the approved activities is € 301,045 which will create 170 new jobs on the NK with EMPOWER investment average of 1,771 Euro/job.

EMPOWER project activities seek to help address the imbalance of women’s participation in the Kosovo business world by integrating gender considerations in all program activities in line with USAID’s Gender Equality and Female Empowerment Policy

In this quarter, EMPOWER launched the Women in Economic Growth Coordination Group. The main goal of this group is to coordinate current and future activities of participating organizations, ranging from training opportunities, awareness raising actions, and support women in business or seeking employment to have better access to financial and networking opportunities, with the goal of creating more jobs for and advancement of women in the private sector.

### 3. STATUS OF EACH OF ACTIVITIES AND TASKS AS DEFINED IN THE WORK PLAN

#### 3.1. Administrative

##### 3.1.1. Identify and hire all technical and operational staff

The following technical and operational staff members were contracted in Quarter 3:

Name	Position
Jeta Pajaziti	M&E Specialist
Bleta Polloshka	Intern
Dior Halili	Intern
Kushtrim Imeraj	Intern

##### 3.1.2. Establish and equip EMPOWER office

EMPOWER Office is fully equipped and operational.

##### 3.1.3. Institute all EMPOWER operational and financial policies and procedures

To date, we have successfully established all policies governing HR, Procurement, Reporting and Financial Management. Some of the major accomplishments for this quarter include the following:

- **Grants Manual:** We completed and submitted the grants manual for the mission's consideration on October 22<sup>nd</sup>. Grants Manual was approved by the office of RCO on January 30, 2015. This opened the road for EMPOWER to start issuing grant agreements

#### 3.2. Monitoring & Evaluation

##### 3.2.1. Complete PBMS

The Performance-Based Management System Plan (PBMS) was finalized and approved by USAID in Quarter 2.

##### 3.2.2. Customize and install Project Activities Database (PAD)

EMPOWER is very lucky to have Jeta Pajaziti join the team as M&E Specialist. Immediately after she joined the EMPOWER Jeta started working with PBMS and create forms that will help her and the team to collect data for reporting purposes. Among others she created M&E PMI tracker which is simple database that will be used to collect information on actual data comparing them with project PMI. This data will later be transferred to PAD. During this quarter EMPOWER worked on final version of the forms and layout of the PAD. The company that developed the original version of PAD is contacted and we presented the redesigned layout. IT Company is working in finalizing the PAD and we expect that this activity will be completed in following quarter.

#### 3.3. SAF Management

##### 3.3.1. Prepare operations manual on procurements and sub contracts

Completed in Quarter 1.

### 3.3.2.Prepare Grants Manual

On October 22, 2014 we completed and submitted the grants manual for the consideration of USAID RCO. On January 30, 2015 we received the approval of the grant manual from RCO office.

### 3.3.3.Prepare and publish the Annual Program Statement (APS) to invite applications

EMPOWER published the APS in its website [www.empowerkosovo.org](http://www.empowerkosovo.org), and announced it publicly at the launching event of EMPOWER on December 9. Additionally EMPOWER staff organized a series of public information sessions across Kosovo, and met with over 280 representatives of businesses and

Regions	Count of CN #	Amount Request €
Ferizaj	60	€ 7,692,219.00
Fushe Kosove	1	€ 2,000
Gjakove	33	€ 1,473,759
Gjilan	61	€ 2,649,919
Mitrovica South	50	€ 2,772,556
<b>North</b>	<b>128</b>	<b>€ 4,608,542</b>
Peja	46	€ 2,249,268
Peje	2	€ 99,575
Pristina	147	€ 5,641,948
Prizren	100	€ 4,731,972
<b>Grand Total</b>	<b>628</b>	<b>€ 31,921,759</b>

economic development organizations to share information on the business sectors we support, our grant scheme and application process.

### 3.3.4.Receive, review, select, and approve subcontracts / grants

**This quarter** - EMPOWER received 628 Concept Notes (Expression of Interest) from applicants throughout Kosovo. The amount of funds requested from these 628 applicants is €31,921,759. Table in the right shows breakdown on applications by major regions including North Kosovo.

EMPOWER Technical Evaluation Committee (TEC) is reviewing Concept Notes on regular bases. From total of 628 received TEC rejected 258 of them, while total in the process are 370 Concept Notes. Further breakdown of the status of review is shown in the table in the right. For 370 applications which are in the process of review the applicants asked for €17.3 million, claiming that they would create 7101 jobs.

**To Date** - Table below shows the summary of information on Concept Notes from the beginning of project

Throughout Project			
Concept Paper Status	CN #	Amount Request €	Jobs Expected
RECEIVED	313	€ 13,829,478.25	5390
ACCEPTED IN PROCESS	37	€ 2,348,725.00	923
ICF IN PROCESS	18	€ 950,060.00	492
ICF APPROVED	54	€ 2,442,714.00	1445
NOT ACCEPTED	369	€ 18,512,902.65	4151
<b>Grand Total</b>	<b>791</b>	<b>€ 38,083,879.90</b>	<b>12,401</b>

The following tables summarizes all SAF investments up to this reporting period.

**SAF Summary**

Status	Number	SAF	Co-Finance	# Jobs	Leverage	SAF / JOB
Final TEC / COR Approved	23	€ 482,825	€ 2,210,268	542	4.6	€ 891
TEC Approved / Not Yet Submitted to COR	10	€ 380,800	€ 1,415,800	260	3.7	€ 1,465
<b>Grand Total</b>	<b>33</b>	<b>€ 863,625</b>	<b>€ 3,626,068</b>	<b>802</b>	<b>4.2</b>	<b>€ 1,077</b>
<b>Breakdown by Category</b>						
Firm Level Growth	21	€ 738,627	€ 3,364,147	640	4.6	€ 1,154
Market Development	6	€ 31,778	€ 60,001	15	1.9	€ 2,119
Workforce Development	6	€ 93,220	€ 201,920	147	2.2	€ 634
<b>Grand Total</b>	<b>33</b>	<b>€ 863,625</b>	<b>€ 3,626,068</b>	<b>802</b>	<b>4.2</b>	<b>€ 1,077</b>
<b>Of which North Kosovo</b>						
Firm Level Growth	9	€ 220,395	€ 384,960	115	1.7	€ 1,916
<b>Grand Total</b>	<b>9</b>	<b>€ 220,395</b>	<b>€ 384,960</b>	<b>115</b>	<b>1.7</b>	<b>€ 1,916</b>
<b>Of which Microenterprises</b>						
Firm Level Growth	12	€ 240,822	€ 650,057	159	2.7	€ 1,515
Market Development	2	€ 23,365	€ 32,380	0	1.4	
Workforce Development	3	€ 73,300	€ 149,090	112	2.0	€ 654
<b>Grand Total</b>	<b>17</b>	<b>€ 337,487</b>	<b>€ 831,527</b>	<b>271</b>	<b>2.5</b>	<b>€ 1,245</b>

## Grant Award Summary of Commitments

#	Grantee	Location	Grant Amount €	Co-Finance	Sales Incr €*	# New Jobs*	SAF / Job €	Priority Population	Duration	Sector	Description
1	Jeta-H	Deçan	12,000	48%	255,000	12	1,000	n	15-Jun	Energy	Expanded biomass fuel production line – electricity transformer and wood chipper
2	Shehu	Drenas	40,000	85%	1,850,000	36	1,111	n	16-Jan	Wood	Equipping new production hall for high-tech door insert panels to replace imports
3	Eko-Briket	Ferizaj	10,000	77%	270,000	10	1,000	n	15-Jun	Energy	Expanded biomass fuel line – equipment for briquette production
4	Pure Power**	Ferizaj	35,000	50%	855,500	27	1,296	n	16-Feb	Other	Purchase of production equipment for production of new air filter models
5	Tefik Canga**	Ferizaj	75,000	82%	335,000	63	1,190	n	16-Feb	Wood	Production expansion for new furniture line for export to Germany - final packing line
6	Sela Impex**	Ferizaj	50,000	73%	2,510,000	50	1,000	n	16-Feb	Wood	New stitching equipment for sofa upholstery quality improvement
7	Nori Tex	Fushë Kosovë	21,000	81%	1,860,000	25	840	y	15-Aug	Apparel	Production line expansion – 6 specialized stitching machines for underwear – majority new employees young women
8	Menakon	Gjilan	11,400	30%	490,000	15	760	y	15-Sep	Apparel	In-company training of 20 production workers (stitchers), all female
9	Enrad	Gjilan	3,500	48%	800,000	15	233	n	15-May	Energy	Attendance at Zagreb Energetika trade fair for renewable energy and energy efficiency products
10	Palma	Gjilan	50,000	94%	3,115,000	50	1,000	n	15-Jun	Wood	Equipping new kitchens and bedrooms factory for import substitution and exporting
11	Agro-Centar**	Leposavic	43,600	48%	381,200	18	2,422	y	16-Feb	Other / Agriculture	Introduction of post-harvest handling, expanding storage capacities, and productivity improvement

#	Grantee	Location	Grant Amount €	Co-Finance	Sales Incr €*	# New Jobs*	SAF / Job €	Priority Population	Duration	Sector	Description
12	Europa**	Leposavic	44,900	53%	135,000	20	2,245	y	15-Dec	Renewable Energy	Expansion of wood fuel pellets production capacities
13	UNIKAT	Peja	36,000	68%	2,780,000	45	800	y	15-Sep	Apparel	New shirts production line – 2 specialized / automatic stitchery and material inventory – majority young women employees
14	Ultra Cosmetics	Peja	30,000	90%	2,540,000	24	1,250	n	15-Dec	Other	Equipment for new production line - wet wipes
15	STAFF	Poujevo	75,000	87%	3,442,000	80	938	n	16-Jun	Apparel	Equipment to expand sportswear production capacities for domestic and regional market
16	KosovaTex	Pristina	15,600	45%	0	12	1,300	y	15-Nov	Apparel	In-company training (stitching) of 20 marginalized (victimized) women
17	Yllka Brada	Pristina	10,600	46%	180,000	12	883	y	16-Feb	Apparel	New men's casual suits production line – 9 machines for embroidery, fabric printing, and stitching – majority female employees
18	MicroBiz	Pristina	9,400	25%	470,000	10	940	n	16-Mar	ICT	In-company training of 10 junior software developers – all youth, 3-4 female
19	AUK – TDI	Pristina	15,000	85%	0	55	270	y	16-Apr	ICT	Training, internship, and employment of young women in 3 IT skills categories – 70 young women
20	Adaptivit	Pristina	26,820	75%	710,000	43	625	n	15-Oct	ICT	In-company training of programmers – 20 software engineers and 30 junior IT technicians – all youth, 25% female
21	Cactus	Pristina	15,000	41%	0	15	1,000	n	16-Feb	ICT	Training and certification of 15 individuals in software testing

#	Grantee	Location	Grant Amount €	Co-Finance	Sales Incr €* €	# New Jobs*	SAF / Job €	Priority Population	Duration	Sector	Description
22	Elnor	Pristina	50,000	57%	1,550,000	50	1,000	y	15-Sep	Wood	CNC machine for expansion of kitchens and solid wood furniture production – edge bander, wood crusher – majority youth employees
23	Solid	Suhareka	50,000	44%	2,950,000	55	909	y	15-Oct	Apparel	New children’s shoes production line – 20 machines for cutting, forming, stitching, & bonding – majority of new workers young women
24	Outdoor InTer	Zubin Potok	6,000	86%	77,800	5	1,200	y	15-Dec	Tourism	Development of a new tourism product at this center - a Via Ferrata-style climbing trail
25	Marković	Zubin Potok	10,000	30%	140,000	7	1,140	y	15-Aug	Wood	Furniture factory production expansion – CNC wood cutter / router
26	Aves Prom**	Zvecan	35,800	56%	305,000	14	2,557	y	16-Feb	Other / Agriculture	Purchase of a semi-automated cutting line, cooling chamber, and freezing chamber pieced chicken processing
<b>Totals</b>			<b>€ 781,620</b>	<b>62%</b>	<b>€ 28,001,500</b>	<b>768</b>	<b>€ 1,112</b>				
* Expected over next 3 years as a result of the grant    ** TEC-approved – in process for USAID approval											

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### 3.4. Public Events & Communications

#### 3.4.1. EMPOWER print materials, Facebook page and website

In Quarter 4, EMPOWER Private Sector started the publication of a monthly two-page newsletter. The newsletter has a broad audience, including USAID, beneficiaries, business community at large, institutions and the general public. It is published electronically in three languages on the program's website and Facebook page; it is disseminated by email to the entire contact list, and printed copies are exhibited in the program's office or distributed at various meetings. In this quarter, EMPOWER Private Sector has also published two press releases: one on the participation of eight Kosovo apparel companies in the Southeast Europe Textile, Fashion & Façon Expo in Tirana in June 2015, and one on the establishment of Kosovo Apparel Marketing Association in July 2015.

EMPOWER Private Sector's Facebook page was launched on February 11, 2015. This page is used as the primary information tool about program activities on daily basis, and to engage our diverse audience in a two-way communication platform. The number of page likes in Quarter 4 increased from **544** (April 2015) to **1,140** (July 15, 2015). Of the people who like our Facebook page, 53% are women with a majority of 22% aged 25-34. Of 46% of men fans, the majority of 21% also belong to the same age group. The page is updated several times per week, and have succeeded in engaging this community in liking, commenting and sharing our news. Our posts are brief, active and interesting, accompanied by lively pictures that tell the story of what we do. Posts are mostly in English, also in Albanian and Serbian.

EMPOWER Private Sector's webpage in this reporting period was updated with the latest news 33 times, an average of twice per week. All information is available in three languages.

#### 3.4.2. EMPOWER promotion events

In the reporting period, EMPOWER Private Sector has organized two very high profile events, officiated by the President of Kosovo and the Prime Minister of Kosovo.

On June 11, the President of Kosovo Atifete Jahjaga and USAID Mission Director James Hope visited the jeans manufacturer KosovaTex, launching a six-month training program for a group of unemployed rural women. Through the training, women will acquire skills they need to find sustainable employment. The event received very good media coverage.

#### Some Links to Online Media Coverage of the Event

<http://www.zeri.info/aktuale/36689/kosovatex-tregim-i-suksesit-ne-kosove-dhe-rajon/>

<http://www.telegrafi.com/lajme/jahajaga-nikoliq-te-kthjellet-dhe-vetedijeshet-2-65048.html>

<http://www.tetovasot.com/2015/06/presidentja-jahajaga-viziton-fabriken-e-lazim-destanit-kosova-tex/>

<http://ina-online.net/kosova/56461.html>

<http://www.indeksonline.net/?FaqeID=2&LajmID=165685&thekso=Kosovatex>

<http://botasot.info/ekonomia/415325/jahajaga-vizitoi-kompanine-e-tekstilit-quot-kosova-tex-quot/>

<http://koha.net/?id=27&l=61549>

<http://gazetabc.com/presidentja-jahjaga-nikolici-duhet-te-vetedijesohet/>

<http://live.kallxo.com/sq/MTL/Jahjaga-dhe-Hope-ne-Kosovatek-per-te-Fuqizuar-Punesimin-e-Grave-7036>

<http://www.kosova.info/ekonomi/jahjaga-vizitoi-kompanine-e-tekstilit-kosova-tex.html>

<http://www.tvkoha.tv/21418/punetoret-e-fabrika-se-tekstilit-kosovatek-jane-vizituar-nga-presidentja-atifete-jahjaga-.html>

Speaking at the event, President Jahjaga said:



*“Our institutions should collaborate with the private sector to provide a sustainable economic base that generates jobs for our citizens. I am particularly encouraged by the joint project with KosovaTex and USAID to achieve economic empowerment for rural women.”*

On June 16, 2015 the Prime Minister of Kosovo Isa Mustafa, USAID Kosovo Mission Director James Hope, and the Mayor of Podujevë/o Agim Veliu inaugurated the new sportswear factory S//Sprint. The grant agreement between S//Sprint and EMPOWER Private Sector was signed following a tour of the new factory. The event received very good media coverage.

#### Some Links to Online Media Coverage of the Event

<http://www.rtklive.com/?id=11&r=34172>

<http://www.kosova.info/ekonomi/perurohet-fabrika-ssprint-ne-letanc.html>

<http://www.telegrafi.com/ekonomi/hapet-fabrika-e-veshjeve-sportive-ne-podujeve.html>

<http://www.indeksonline.net/?FaqeID=2&LajmID=166591>

<http://kosovalbaner.com/2015/06/perurohet-fabrika-ssprint-do-te-punesohen-200-persona-foto/>

<http://ekonomiksi.com/hapet-fabrika-e-veshjeve-sportive-ne-podujeve/>

<https://kk.rks-gov.net/podujeve/News/Perurohet-fabrika--S-Sprint%E2%80%9D-ne-Letanc.aspx>

<http://infoglobi.info/mustafa-bizneset-do-te-lirohen-nga-taksat-komunale/>

<http://illyriapress.com/mustafa-qeveria-do-te-mbeshtese-zhvillimin-e-sektorit-privat/>

<https://www.youtube.com/watch?v=T3shKXgjENM>

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## USAID Mission Director Visits

A visit to EMPOWER Private Sector grantee Fashion House Menakon was part of the USAID Kosovo Mission Director's agenda to visit beneficiaries in **Gjilan**. The Mission Director learned more in detail about EMPOWER's workforce development activity with Menakon – training for twenty women, fifteen of whom at least will be hired full time upon completion of the training program. He engaged in a discussion with the trainees and their mentors.

While visiting beneficiaries in **Vushtrri**, the Mission Director stopped by BINNI Company, where he learned about the business challenges and successes of the company, one of the biggest wood processors in Kosovo.

## EMPOWER supported events

EMPOWER participated in a conference organized to mark the annual **International Day of Girls in ICT**. The conference was an opportunity to congratulate 70 young Kosovo women who have started a year-long training in three (3) well-defined ICT job profiles. Thanks to the agreement signed between EMPOWER and AUK TDI twenty women are able to attend the training that is expected to result with the employment of 80% of trainees upon graduation. EMPOWER COP was one of the keynote speakers at the event.

EMPOWER participated in the **Women in Business Regional B2B Matchmaking** organized by CEED Network in June in Tirana, and arranged for two (2) women business owners from the textile & apparel sector to participate and meet with other businesses from the region. The activity was part of EMPOWER's support to women in business enhance networking and cooperation opportunities. One very good meeting was organized with the Albanian Association of Women in Handicraft.

### 3.5. Research donor programs working in the Competitive & Market-Oriented SMEs and the North

EMPOWER continued to meet coordinate and gather information on other projects and donors activities.

Some examples of coordination efforts with other donor project/activities are presented below with details on status of coordination efforts

Donor/Project	Status of Coordination with Donor
Office of President of Kosovo	President of Kosovo Ahtifete Jahjaga and Mission Director James Hope visited the KosovaTex factory to launch the EMPOWER-supported training of 20 marginalized women in apparel production skills. EMPOWER signed a grant agreement with KosovaTex which is also supported by the office of President of Kosovo with €3,000
KIESA	Coordinated and coo financed participation of eight Kosovo apparel producers from Kosovo in Tirana Textile Fair. This activity was also supported from Municipality of Gjilan which agreed to sponsor the activity considering that textile industry is one of the strongest in this municipality.

Donor/Project	Status of Coordination with Donor
<i>Municipality of Strpce/ SBEP</i>	EMPOWER Discussed with the Director of Department of Urbanism the development prospects as a result of the Brezovica investment, about which he is enthusiastic. Also Via Dinarica tourism development, and the upcoming cross-border Sharr Mountains Skyrace, which will be partly funded by USAID Macedonia SBEP, and we expect EMPOWER
<i>AKT / AKT Local Solution</i>	EMPOWER together with AKT and AKT Local Solution agreed to have regular coordination meetings between projects. We will exchange information particularly on grant applications and see where exchange or collaboration makes sense. EMPOWER will provide information on the supply chains of its clients to help AKT identify beneficiaries.
FHI 360	This organization is investigating the potential for pilot programs with existing projects oriented toward workforce development and social inclusion, with a particular focus on possibilities for Global Development Alliance partnering. We reviewed relevant challenges in implementing our program and welcomed any collaboration opportunities. EMPOWER can source potential partnership opportunities through our normal activities, but we do not have the resources to develop GDA partnerships, which takes dedicated focus and specialized relationship networks.
UNDP Aid for Trade Project	The project is about to move into its second implementation phase, but is still currently assessing. They are doing a baseline survey for the Mitrovica region (north and south), focusing on agriculture (farmers) and wood processing (SMEs). Aid for Trade also is assessing support for international quality standards in several sectors (agriculture, artisanal crafts, wood processing, construction materials, and tourism). They expect to follow up with firm-level support for obtaining these, which is complementary to EMPOWER and therefore something we will coordinate with. Their advisory services in agriculture will continue, including technical support for grant applications for Ministry of Agriculture funds.
SDC PPSE Project	EMPOWER initiated this semi-regular meeting between the two projects to update each other and further cooperation, since PPSE is one of the very few other donor projects focused as much on firm-level commercial development assistance as EMPOWER. PPSE in its first phase had focused on the agriculture and tourism sectors, and recently undertook assessments of the wood and textile sectors and proposed to SDC that they extend their work into them. However, it was subsequently decided that the project should stick to the two initial sectors, so it will not work in wood or textiles.
World Bank	EMPOWER met with World Bank Kosovo office as they are gathering information in preparation of a concept note and appraisal document for a “Results Based Business Loan” to the GOK to advance private sector development. The funding is expected to be in the \$20-40MM range, and would be probably be ready for submission to the GOK for approval by the end of this year. The three expected pillars are (i) business environment, which will include supporting laboratories for standards and certifications, (ii) SME competitiveness, including strengthening KIESA, growth policy development, and a matching grants fund, and (iii) labour and workforce skills development, including in ICT and agricultural extension. The focus sectors mentioned are ICT, renewable energy, and agriculture. The Bank also has an ICT-specific technical assistance project in Kosovo that will be coming online soon.

Donor/Project	Status of Coordination with Donor
P4D Brezovica	<p>We met with Jill Jamieson, The purpose of this meeting was to obtain information on the timeline for economic impact activities that will ensue from the forthcoming investment.</p> <p>The first potential impact will be from investments by CDA (Compagnie des Alpes), the lead investor, in utility and transport infrastructure. While these constructions will probably be managed by international contractors contracted by CDA. Because a substantial share of the needed materials (cable, major steel structures, pipes, construction machinery) will be imported, the main opportunity during this stage will construction employment, not only for basic labour but also for certified experts – welders, for example – which would be essential for most constructions. EMPOWER can facilitate connections between local welder training facilities with whom we are in contact (SKK, KEK, others), and other needed skills.</p> <p>Following infrastructure investment will be the building of hotels, restaurants, and service facilities. Most of these opportunities will be subcontracted to qualified hotel operators (local and international). These subcontractors will in turn require the wide range of products that Kosovo can produce – furniture, textile products, light machinery and appliances, and food – as well as hospitality, maintenance, and other service providers. This opportunity is probably a year or so out, because the hotel operators must first be subcontracted.</p>
USAID REPOWER-Kosovo	<p>We met with this project to compare notes, understand each other’s areas of focus, and determine whether there are opportunities to collaborate, given that one of EMPOWER’s focus sectors is Renewable Energy &amp; Energy Efficiency. In fact, the two projects are highly complementary, with no overlap. REPOWER also has renewable energy as a component, but is working on the legal and enabling environment for renewables, including the adoption of feed-in tariffs and simplified procedures for small investors seeking to establish generating facilities of various types with less than 1 megawatt capacity. They suggested that they pass to us business ideas that they receive, since they are not set up to support them and do get inquiries.</p>

#### 4. COMPONENT 1 - JOB CREATION THROUGH INCREASINGLY COMPETITIVE & MARKET-ORIENTED SMES IN FOCUS SECTORS

##### 1. Identify growth-ready sectors for project focus

###### 1.1. Draft Sector Assessment & Selection Report

Sector Assessment report was finalized and approved in Quarter 2

##### 2. Identify job-creating business opportunities & challenges

###### 2.1. Consult with firms in Component 1 focus sectors to identify business opportunities and challenges

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>30 focus sector investment opportunity candidates (interventions / activities) identified and recorded</li> </ul>	<ul style="list-style-type: none"> <li>33 Focus Sector Investment Opportunities Candidates identified; 20 (Wood) and 13 (Apparel), which exceeds the targeted number for this Activity Area for 3.</li> </ul>

#### Wood Sector

As a result of dynamic and successful campaign for EMPOWER activities and opportunities, through public meetings, media and web, main companies from this sector decided to apply for our grant program. As we expected the majority of applications submitted happened towards the deadline for applications which was end of May, 2015. In this quarter EMPOWER received 142 Concept Notes (CN) which fall under Wood Sector. Out of 93 companies 23 were

Regions	CN #	Jobs	Amount
		Proposed	Request €
Ferizaj	23	339	€ 1,157,119
Gjakove	9	117	€ 468,398
Gjilan	19	281	€ 911,999
Mitrovica South	15	259	€ 985,770
North	16	168	€ 582,752
Peja	8	52	€ 391,250
Pristina	32	384	€ 1,579,880
Prizren	20	251	€ 1,064,770
<b>Grand Total</b>	<b>142</b>	<b>1,851</b>	<b>€ 7,141,938</b>

visited as their concept notes were identified as promising opportunities. These were direct, on the site visits with the companies with the aim to verify what was presented in the Concept Note, and gather additional information missing from the Concept Note. Direct visits and interviews with companies show to be very productive in terms of understanding in details the opportunities and helping the Technical Evaluation Committee (TEC) on making decisions for further steps of engagement.

In terms of regional coverage, CN for this sector were received from all regions, including 16 for North Kosovo. Details on the number of applications by regions is shown in the table above.

Numbers shown in the table above prove the EMPOWER sector assessment recommendations and selection of the Wood Processing Sector as one of priority sector with utmost potential for job creation.

## Apparel Sector

Similar to Wood Processing Sector the Apparel Sector received great number of Concept Notes for this reporting period. Total of 105 CN claiming 1,534 jobs to be created and request of €3.8 million is submitted in this quarter. EMPOWER spend a lot of time in the filed visiting companies in order to identify the best

Regions	CN #	Jobs Proposed	Amount Request €
Ferizaj	8	133	€ 312,500
Gjakove	8	180	€ 329,020
Gjilan	13	148	€ 465,638
Mitrovica South	12	192	€ 531,650
North	10	142	€ 353,838
Peja	5	70	€ 168,360
Pristina	32	398	€ 913,006
Prizren	17	271	€ 742,029
<b>Grand Total</b>	<b>105</b>	<b>1,534</b>	<b>€ 3,816,041</b>

applications. 42 visits were conducted of which 40 were at companies and 2 institutional. Out of these visits eight of them are identified as good opportunities for product expansion and job creation. From total applications received 14 companies are to be visited in next quarter as they qualify as interesting applications with good potential on paper, which still need to be verified in the field.

This is another confirmation of correct decision from Sector Assessment and Selection process to place Apparel Sector in priority sectors. The number of applications and visits in the field are showing that Apparel Industry is boosting and there is a great interest from companies to expand their production capacities and varieties, improve quality by bringing new technologies, with the aim of getting new markets locally and internationally.

As the process of selection of applications for awarding with grants is competitive, and due to the limited amount of grant funds, EMPOWER will be able to award only limited number of applications. The table above shows that only for this quarter and only for Apparel Sector the amount of grant funding requested is double from what EMPWOER total grant fund currently is. EMPWOER will select the best applications but will also identify companies that are worthy supporting although there are no funds available now. These identified good opportunities will be recorded as potential beneficiaries of grants in the future if the funds will become available, or if we find other opportunities for support.

### 2.2. Evaluate and prioritize job-creating business opportunities

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>12 viable focus sector investment opportunities selected for interventions</li> <li>24 total beneficiary's incl SMEs in supply chain</li> <li>€3.5 MM sales growth</li> <li>150 jobs</li> </ul>	<ul style="list-style-type: none"> <li>33 viable focus sector investment opportunities selected for interventions, exceeding the targeted number for 21</li> <li>33 direct beneficiaries</li> <li>7,994,050 expected sales increase as a result of these interventions</li> <li>Through these identified activities there will be 1094 jobs created through the period of three years</li> </ul>

## Wood Sector

**This Quarter** - 11 Investment Candidates were presented to TEC this quarter. Out of these 11 candidates the TEC approved or Provisionally Approved nine which it considered meet the criteria and objectives of EMPOWER on job creating opportunities. These nine investment opportunities require €288K SAF funding, leveraging through self-financing or other parties up to 2.9 million or 1:10 ratio. Expected number of jobs for these 9 investment opportunities is 275, or €1,050 of SAF investment per job.

Applicant	Description	SAF	Jobs
Daqa	Investment in equipment to diversifying the product range	€ 20,000	16
Dijamanti	Expanding Production	€ 20,000	17
Dili Commerce	Introduction of new product	€ 50,000	40
Graniti	Expansion of production	€ 20,000	19
Idrizi	Expansion of production	€ 25,000	25
Palma	New production	€ 50,000	50
Sela Impex	Expansion of the company	€ 50,000	50
Tiki	Expansion of production	€ 25,000	26
AWPK	Internship Program	€ 28,750	32
<b>Grand Total</b>		<b>€ 288,750</b>	<b>275</b>

**To Date** – From the beginning of the EMPOWER for this sector there is a total of 20 investment opportunities (including two from North Kosovo, €48,000) selected by the TEC with total SAF requested amount €705K, leveraging €5.8 million, (1:8 ratio) which will create 668 new jobs at an average cost of SAF/job €1,056. The selection of these activities is based on the evaluation of each business individually, the real potential of these activities to create jobs. In addition to job creating component these grant activities contribute to value chain strengthening in many ways. These grants will enable and support productivity and quality increase of local production while they will contribute to import substitution and increase of exports for wood products.

#	Applicant	Description	SAF	Others	Total	Jobs	SAF/Jobs
1	Binni	Furniture (Expansion of Production)	€ 31,100	€ 400,000	€ 431,100	28	€ 1,111
2	Daqa	Diversification of the product range	€ 20,000	€ 120,000	€ 140,000	16	€ 1,250
3	Dijamanti	Expanding Production	€ 20,000	€ 272,000	€ 292,000	17	€ 1,176
4	Dili Commerce	Introduction of new product	€ 50,000	€ 850,000	€ 900,000	40	€ 1,250
5	Doni	Updating technology for increase production	€ 19,000	€ 15,000	€ 34,000	20	€ 950
6	Elnor	Increase efficiency and speed up operations	€ 50,000	€ 66,500	€ 116,500	50	€ 1,000
7	Frasheri	Production of wooden houses	€ 50,000	€ 425,000	€ 475,000	40	€ 1,250
8	Godzi	Expansion of production	€ 40,000	€ 80,000	€ 120,000	15	€ 2,667
9	Graniti	Expansion of production	€ 20,000	€ 110,000	€ 130,000	19	€ 1,053
10	Idrizi	Expansion of production	€ 25,000	€ 125,000	€ 150,000	25	€ 1,000

#	Applicant	Description	SAF	Others	Total	Jobs	SAF/Jo bs
11	Lumi	Furniture	€ 40,000	€ 525,000	€ 565,000	35	€ 1,143
12	Markovic	Solid Wood Furniture	€ 8,000	€ 4,200	€ 12,200	6	€ 1,333
13	Palma	New production	€ 50,000	€ 848,900	€ 898,900	50	€ 1,000
14	Sela Impex	Expansion of the company	€ 50,000	€ 120,000	€ 170,000	50	€ 1,000
15	Shehu	Expansion of production	€ 40,000	€ 246,000	€ 286,000	36	€ 1,111
16	Te Naseri	Furniture / Expansion of production	€ 58,000	€ 790,000	€ 848,000	100	€ 580
17	Tiki	Expansion of production	€ 25,000	€ 505,000	€ 530,000	26	€ 962
18	Wood Processors Association	Albania Trade Fair Mar 2015	€ 5,300	€ 5,000	€ 10,300		
19	OXA- Tefik Canga	Furniture / Expansion of production	€ 75,000	€ 335,000	€ 410,000	63	€ 1,190
20	AWPK	Internship Program	€ 28,750	€ 12,000	€ 40,750	32	€ 898
<b>Grand Total</b>			<b>€ 705,150</b>	<b>€ 5,854,600</b>	<b>€ 6,559,750</b>	<b>668</b>	<b>€ 1,056</b>

## *Apparel Sector*

**This Quarter** – Eight Investment Candidates were presented to TEC this quarter. Out of these eight candidates the TEC approved or Provisionally Approved four which it considered meet the criteria and objectives of EMPOWER on job

Applicant	Description	SAF	Jobs
Akademia Evolution	Shirts and underwear line of production	€ 30,000	40
D&H	Leather Shoes Production	€ 40,000	40
Duararta	Underwear Line Production	€ 25,000	30
Lara	Apparel Production for youth	€ 37,050	17
<b>Grand Total</b>		<b>€ 132,050</b>	<b>127</b>

creating opportunities. These four investment opportunities require €132K SAF funding, leveraging through self-financing or other parties up to €335K or ~1:2.5 ratio. Expected number of jobs for these four investment opportunities is 127, or €1,040 of SAF per job.

**To Date** – From the beginning of the EMPOWER for this sector there is a total of 13 investment opportunities (including one from North Kosovo, €37,050) selected by the TEC with total SAF requested amount €405K, leveraging €1.15 million, (1:2.5 ratio) which will create 426 new jobs at an average cost of SAF/job €951. The selection of these activities is based on the evaluation of each business individually, the real potential of these activities to create jobs.

It was not surprise to EMPOWER that Apparel Sector has great potential as this was identified when we conducted Sector Assessment and Selection Report. But with visits in the field and opportunities identified with companies identified ready to expand, take market shares, especially replacing imported goods with local production exceeded EMPOWER expectations for this sector. We feel much stronger on project results, and consider that there is much more opportunity and need from what EMPOWER can give with current

financial resources. With more funding EMPOWER would be in position to easily identify more companies that are ready to implement job creating opportunities and activities that would increase sales of local production versus imported goods.

Applicant	Description	SAF	Others	Total	Jobs	SAF / JOBS
Akademia Evolution	Shirts and underwear line of production	€ 30,000	€ 70,000	€ 100,000	40	€ 750
D&H	Leather Shoes Production	€ 40,000	€ 225,000	€ 265,000	40	€ 1,000
Duararta	Underwear Line Production	€ 25,000	€ 10,000	€ 35,000	30	€ 833
Kosova Tex	Training of war victims	€ 15,600	€ 13,000	€ 28,600	10	€ 1,560
Lara	Apparel Production for Youth	€ 37,050	€ 30,000	€ 67,050	17	€ 2,179
Menakon	Wedding Dresses / In-Company Training	€ 11,400	€ 5,000	€ 16,400	15	€ 760
Nori Tex	Underwear production	€ 21,000	€ 90,630	€ 111,630	25	€ 840
Riki Jeans	Production of jeans	€ 39,100	€ 38,100	€ 77,200	38	€ 1,029
Solid	Production of leather shoes for kids	€ 50,000	€ 40,000	€ 90,000	55	€ 909
Staff	Expansion of production	€ 75,000	€ 518,000	€ 593,000	80	€ 938
Toni Tex	Expansion of production capacities	€ 20,000	€ 10,000	€ 30,000	25	€ 800
Unikat	Shirt production	€ 36,000	€ 77,000	€ 113,000	45	€ 800
Yllka Brada	New line of Production	€ 4,815	€ 25,350	€ 30,165	6	€ 803
<b>Grand Total</b>		<b>€ 404,965</b>	<b>€ 1,152,080</b>	<b>€ 1,557,045</b>	<b>426</b>	<b>€ 951</b>

Of these five have already been awarded as grants in this reporting period and started project implementation. These five grants will result in 232 new jobs.

Grantee Name	Activity Title	Grant Amount Euro	New Jobs	Female	Youth	Other disadvantaged groups
KOSOVATEX	Training for 20 marginalized women	€ 15,600	12	12	4	12
MENAKON	Practical Training in Apparel-Production Skills	€ 11,400	15	15	7	
Nori Tex	Production Line Extension	€ 37,000	25	20	20	5
SOLID	New children's leather shoes production line	€ 50,000	55	45	35	3
UNIKAT	New Shirt Production Line	€ 36,000	45	40	35	3
STAFF	Production Capacities Expansion	€ 75,000	80	65	55	4
<b>Grand Total</b>		<b>€ 225,000</b>	<b>232</b>	<b>197</b>	<b>156</b>	<b>27</b>

### 3. Widen and deepen connections to buyer

#### 3.1. Design and implement B2B activities to stimulate business opportunities

##### 3.1.1. Selective trade show attendance

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>6-8 trade shows / B2B activities completed,</li> <li>25 company beneficiaries. –</li> <li>New business for wood and apparel producers with 5 domestic importers, 15 beneficiaries - 10 new buyer relationships</li> </ul>	<ul style="list-style-type: none"> <li>7 trade shows / B2B activities supported</li> <li>71 companies participated in trade shows and B2B supported by EMPOWER</li> <li>€129,600 increased sales so far as a result of these fairs</li> <li>At least 4 new markets</li> <li>At least 8 more jobs (follow-up and collection of data for these activities will continue and we expect the numbers will be much higher)</li> </ul>

#### *Wood Sector*

During this quarter EMPOWER supported Association of Wood Processors of Kosovo to prepare exhibition with up to five Kosovo Furniture Companies in M.O.W International Furniture Fair in Bad Salzufflen, Germany. So far, companies that confirmed participation and started preparation for this fair are: Elnor, Tefik Canga and Ciao Berto.

Empower supported participation of four wood processing companies from Kosovo to participate in Tirana Furniture Trade Show in previous quarter. This trade show participation was completed through Association of the Wood Processors of Kosovo (AWPK) and overall sales after six months are €120,600 and three companies are having permanent presence in the Albanian market (Lesna, which was present with its branch already in Albania, KoBa which started immediately after the fair and still working and Daqa planning to open branch in Albania after successful start exporting after the Fair).

Name of Company	Activity during the Fair				After Fair Follow-up			
	Sales	Jobs	New Markets	Potential Sales	Sales after 3 months	Sales after 6 months	New markets	Jobs
KoBa	3,000			25,000	15,000	30,000	1	2
Lesna	5,000			20,000	10,000	38,000		3
Sharra	5,000			3,000	5,000	18,000	1	1
Daqa	12,000			20,000	20,000	34,600	1	2
<b>Total</b>	<b>25,000</b>			<b>68,000</b>	<b>50,000</b>	<b>120,600</b>	<b>3</b>	<b>8</b>

#### *Apparel Sector*

During this quarter EMPOWER supported eight companies to exhibit at International Fair of Textile, Fashion and Facon in Albania and organized B2B meeting with Turkish company.

During the three days fair, eight apparel producers used the opportunity to create new business contacts, negotiate potential deals and signed concrete contracts. In addition, eight apparel producers had a chance to visit one textile company called Medison Avenue in Tirana (products for all women's clothes: evening

dresses, coats, jackets, shirts, blouses etc.). Media conference was organized only for Kosovo Fashion attendees with media presence.

On the first day, our booth was visited by two Albanian Ministers; Minister of Economic Development, Trade and Enterprise Mr. Arben Ahmetaj and Minister of Social Welfare and Youth Mr. Blendi Klosi. On the second day of the fair, Kosovo Fashion booth was visited by Kosovo Ambassador in Albania Mr. Ramiz Lladrovci. Overall, there were solid trade fair attendees and visitors.

The immediate result of this fair was the contract between Arta Tex and Mediterran Company to produce uniforms. This contract is worth €9,000. While sportswear producer STAFF signed a contract with Albanian Marketing Company to do marketing of their products in Albania.

In addition, Mosi Tekstil (Turkish Company) that visited our booth in Tirana expressed interest to come and invest in Kosovo. A week after, EMPOWER facilitated five B2B meetings with local producers for this potential investor. Whether Mosi Textile will decided to invest in Kosovo we will find out in September of this year.

### 3.2. Establish / recruit producer sales agents

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>5 agents/agencies recruited</li> </ul>	<ul style="list-style-type: none"> <li>2 agents identified. Activities in this area are expected to increase in following quarter due to the B2B and Trade Fairs that are going to take place in region and EU.</li> </ul>

#### **Wood Sector**

During this reporting period, we have worked towards identifying market agents as well as establishing working relations in targeted markets such as Albania, Germany and Italy.

In the wood processing sector, during the assessment phase and later direct visits to companies, some companies are interested to get to the market of Germany, Albania and therefore identified candidate (Mr. Granit Nikqi) to be engaged as agent made his first visit to companies: Tefik Canga, Elnor, Lumi and Shehu. Currently, he is working in his action plan for Marchtnah Offensive Wichting (M.O.W) fair that is planned for September (20-24<sup>th</sup>) companies and EMPOWER is expecting to engage him as Agent for the next period, based on Action plan and engagement days plan. Mr. Nikqi is working currently with company Renolit SE ([www.renolit.com](http://www.renolit.com)), from Munich, Germany.

#### **Apparel Sector**

During this reporting period, we have identified so far one potential Sales Agent, Mr. Bardhi Sejdarasi and hired as STTA for few days to help us find buyers in Tirana during the trade show. He organized B2B meetings with domestic producers with potential buyers in Textile Fair in Albania during 4-6 June 2015.

### 3.3. Widen / deepen supply chains to network SMEs into lead company opportunities

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>50 SMEs newly networked with lead firms, 2 industry conventions organized</li> </ul>	<ul style="list-style-type: none"> <li>Industry Conventions are planned to take place towards the end of the 2015</li> </ul>

#### *Wood Sector*

EMPOWER team is identifying on regular basis all opportunities for clustering businesses from selected sectors. During this period EMPOWER had individual meeting with Kosovo biggest retailer shops of furniture in order to identify market players in Furniture in Kosovo and also identified obstacles that retailers are identifying in domestic production. Ferizaj region has biggest number of small producers in one place, which has great potential for networking and linkage with biggest producers that EMPOWER is supporting through grants. Next step is to identify all interested companies for networking and create non-formal group of businesses from Ferizaj region. During this process we will identify key products that these companies can produce and later link with bigger producers from Kosovo.

#### *Apparel Sector*

EMPOWER project facilitated to link two companies to cooperate with each other Kosova Tex and Riki Jeans. Empower met with Riki Jeans and noticed that the washing of jeans is not adequate. On the other hand Riki Jeans said that due to poor washing process of jeans the final quality is much lower. Empwoer advised that Kosova Tex could offer this service and after a joint meeting, Riki Jeans started to send fist samples to Kosova Tex to wash.

### 3.4. Improve promotion

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>Repeated advertisements in 2 wood and apparel industry trade journals.</li> <li>For 10 lead firms in the two focus sectors: adequate web presence; improved visual identity. 2 shared promotional web portals – 1 for Kosovo wood and 1 for Kosovo apparel)</li> </ul>	<ul style="list-style-type: none"> <li>No results so far for these planned activities. Promotions for these two sectors is necessary, but should be done at the right time and when the sectors are ready. EMPOWER is still in the planning phase for conducting strategic promotion for these two sectors.</li> </ul>

#### *Wood Sector & Apparel Sector*

With this activity EMPOWER is planning to promote Kosovo Wood and Apparel Sectors at foreign trade publications. EMPOWER is also promoting these sectors in other forms, including fairs and internet mainly in our Facebook page and EMPOWER website. As an example we have the Tirana International Textile, Fashion, and Facon Fair where we supported the Apparel companies promote their businesses and products. During this and previous quarter our team has worked in identifying the best journals and the best ways to promote these two sectors. We plan to have the Kosovo wood processing and apparel sectors presented in international trade journals, but we are still in the process of preparation of the sectors logo and portal, in

order that these promotions would be more substantial and with minimum standards required. During next phase, EMPOWER is going to organize several focus groups in order to identify and agree on the sector promotion materials and establish industry/sector web portals too. After this process, natural step would be promotion of the sector in already identified journals and publications, both for furniture and apparel. For Kosovo market, we already identified and made first add with magazine Flatra, promoting fashion company Menakon from Gjilan.

#### 4. Elevate product design and quality

##### 4.1. Improve product development and design to fulfill business opportunities

<u>EXPECTED RESULTS FOR YEAR 1 WORKPLAN</u>	<u>ACTUAL RESULTS TO DATE</u>
<ul style="list-style-type: none"> <li>10 beneficiary companies develop new products.</li> <li>20 designer / producer apprenticeships / internships initiated</li> </ul>	<ul style="list-style-type: none"> <li>15 beneficiary companies identified</li> <li></li> </ul>

AWPK and EMPOWER started preparation and already did assessment with furniture companies to identify number of potential interns that will be engaged in companies from September. Initially, companies were interested to start with 40 candidates, which will be engaged in 15 Kosovo companies that expressed interest engaging interns. More information on this activity is found in section of Internship.

##### 4.2. Improve productivity and expand formal quality certification to fulfill business opportunities

<u>EXPECTED RESULTS FOR YEAR 1 WORKPLAN</u>	<u>ACTUAL RESULTS TO DATE</u>
<ul style="list-style-type: none"> <li>10 technical assistance engagements for productivity improvement and quality certification.</li> <li>15-20 formal quality certifications initiated or achieved.</li> <li>1 Quality Certification Fund established with multiple co-funding, including local government)</li> </ul>	<ul style="list-style-type: none"> <li>Concrete result for this activity are planned to be achieved in next quarter</li> </ul>

EMPOWER preselected through RFP list of the local providers that can potentially be engaged for few interventions that EMPOWER is planning to have in the next period. During this process we did preselected three potential companies that will be engaged to manage certification fund.

## 5. COMPONENT 2: JOB CREATION THROUGH WORKFORCE DEVELOPMENT & IN OPPORTUNISTIC SECTORS

### 1. Identify job-creating business opportunities & challenges in opportunistic sectors

#### 1.1. Consult with firms in Component 2 opportunistic sectors to identify business opportunities and challenges

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>20 investment opportunity candidates (interventions / activities) in opportunistic sectors identified and recorded</li> </ul>	<ul style="list-style-type: none"> <li>31 investment opportunity candidates in opportunistic sectors identified which exceeds targeted number by 11</li> </ul>

#### *Renewable Energy and Energy Efficiency Sector*

In regards to Energy and Energy Efficiency sector, a new cluster “recyclers” is added to the previously identified clusters: a) wood biomass fuel producers and stove producers; b) insulation production companies, c) geothermal/thermic pumps and solar installers/producers and d) recyclers ( plastic, oil, paper, carton and other)

##### a) Wood biomass fuel producers and stove producers

During Q3 and Q4 wood biomass cluster is thoroughly assessed and two cluster round tables were organized, first one on March 25, 2015/Q3 and second on July 9, 2015/Q4, in both cases challenges and opportunities were identified, while in the last round table meeting Program shared an action plan with the stakeholders regarding this cluster.

##### b) Insulation production companies

During Q4 the initial stage of assessment for second cluster b) insulation production companies is initiated with the intention to continue further identification of stakeholders, challenges and opportunities in Q1 of Y2. So far 6 companies are visited, 5 of them represent leading companies. From the first round of visits few obstacles and opportunities are identified, from 6 interviewed companies almost all of them mentioned as main obstacle the lack of local authority/laboratory for product certification and VAT paid in advance at the custom on raw material, while regarding opportunities- the need for new markets was mentioned from two leading companies POFIX and RENOVA. Therefore program can immediately address one of the cluster needs in regards to new markets, by identifying relevant international fairs (BAU 2016, January Munich) or organizing B2B meetings.

Program needs to interview more companies and organize a round table meeting with this cluster in Y2/Q1 in order to identify challenges and prepare an action plan regarding this cluster.

Below is the list of visited companies:

Company's name	Company's Description	Location	Founded Year	Staff	Export Countries	Types of product	Certification	Obstacles on doing business/ Suggestions
POFIX	Construction and insulation materials producer	Lipjan	2009 (The establishment of the factory in Ks)	57	Macedonia, Serbia and Switzerland as a tested market	1) Styrofoam 2) Basic Mortars 3) Construction adhesives 4) Acrylic mortars 5) Paints	Products are certified in Macedonia and Bulgaria	1) VAT paid in advance at customs on raw material 2) well trained engineers 3) identifying new markets 4) Lack of a local authority/laboratory for product certification
RENOVA	Construction insulation materials producer	Ferizaj	1992 in Tetove, 1999 in Prishtine	24	Switzerland	1) Basic mortars 2) construction adhesives, 3) acrylic mortars 4) paints	PSE product certification from London institute	Lack of a local authority/laboratory for product certification
XELLA	Construction/Insulation materials producer	Lipjan	Kosovo as a part of German network		Covers Macedonia and Albania	Silka bricks – thermos insulating products		Development of the pipe gas system and connection to the closest natural gas source
ADIFIX	Insulation product producer	Skenderaj	2012	12	NA	1) Basic mortars products and 2) Different adhesives		
FETOSHI	Insulation material producer	Xerxe	2002	50	Albania and Macedonia. Switzerland was	1) Styrofoam and 2) TermoDur	Iso Standardization in London	1) recently placed custom tax on "mazut" 2) Lack of local product certification authority

Preliminary list of insulation materials producers

### c) Geothermal/thermic pumps and solar installers/producers

During Q2 program visited the biggest geothermal heating installer Mega Term, the country leader in regards to geothermal, currently they are working in a very large project, a 4 floor building/ geothermal energy show room in order to promote and attract future buyers, use it as educational and training centre as well. The geothermal centre costs are around 1 million, €70,000 are remaining investments. Mega-term has installed geothermal heating and cooling in over 130 buildings conducted total 400 drillings. Two biggest projects are International Village and Justice Palace with area 80,000 m<sup>2</sup> of geothermal heating and cooling system installed. Identified needs are, consumer awareness about the efficiency of geothermal energy, marketing and service licensing trainings. A closer cooperation is expected in Y2 particularly in regards to trainings and marketing.

While during Q4, program visited Osa Termosistem the most distinct producer of wide range of energy efficiency products including solar products. Program is considering providing support for new investments which will increase the efficiency of heating and cooling and solar equipment/products produced by OSA. Company's next plans are production of thermic pumps, a very demanding product in energy sector with high export opportunity in the region since there are no producer (closest is in Slovenia).

Since this cluster represents the smallest target group in terms of numbers of private stakeholders, no significant activities were undertaken during Y1, but a quick assessment of the cluster can be done in Y2.

### d) Recyclers (plastic, oil, paper, carton and other)

Recyclers present very attractive and promising cluster of renewable energy and energy efficiency sector, contributing to cleaner environment and alternative sources of raw material – cheaper and closer supply. Several promising private investitures/recyclers are identified:

i) vehicle oil recycling, a company from Mitrovica, BTP Holding approached the program with request to support expansion of oil recycling capacities, but due to very expensive technology/machinery and lack of program funds, program identified another immediate need of the company, how to better utilize existing processing capacities through establishment of supply chain network- collection points?

Currently Company is utilizing only half of the recycling capacities working 2-3 days per week, processing 5,000l of used oil per 24h. In addition company's long term plans are expansion of the recycling capacities up to 30,000l per 24h, therefore needs to expand the supply network all over Kosovo. Main supplies comes from auto services. The company has established a network of 70 auto services located mainly in Prishtina, Mitrovica and partially Peja but needs to extend the collection network in four other regions as well Peja, Gjakova, Ferizaj and Gjilan. The following quarter, Q1/Y2 program will initiate the assessment activity of supply network and publish findings with relevant parties and general public since throwing used vehicle oil is becoming a serious environmental issue.

ii) Polyethylene waste recycling, Izolimi Plast a company from Obiliq started its operation in 2014, processing 300 tons of plastic waste/monthly, 3,600 tons per year, connected with 30 collection centres producing several final products granulates and insulation/ agriculture plastic black folia. Due to very high market demand for these products and very profitable business, within 1.5 years company grow from 2 to 30 employees currently working with three shifts. Company has plans to expand existing production and develop new products (green house plastic folio one of them) and double number of employees in the very first year of investment. Program will support the company growth.

iii) Paper recycling, Cornet Kosova a carton egg holder producer from Ferizaj, a start-up company that established a production facility recycling carton and paper in order to produce carton egg holder, currently majority of this product is imported. Company is still struggling with limited investment funds, with no bank financing option since it is a start-up company.

Program will continue identifying more recycling companies and provide support in order to encourage recycling culture and import substitution of final produced products.

### **Other Sector**

Total number of CN for Energy and "Other" Sectors during received 247 CN, proposing 3,974 jobs to be created. Total Amount of Grant Funding Requested for these two sectors is ~€15 million. EMPOWER received and identified several interesting investment opportunities in "Other" sector, they represent relatively unique production for Kosova, it is worth mentioning wet wipes producer, vehicle air filter producer, paper bag producer and woman owned business of sweets production. These companies are export oriented companies (not excluding local market) with high export expansion and product diversification opportunities. Therefore program is planning to support their expansion investment at the initial stage and continue support on identification of new markets and product quality improvements/certifications. There are more CN to be reviewed in this sector.

Regions	CN #	Jobs	Amount Request €
Ferizaj	22	435	€ 5,922,000
Fushe Kosove	1	2	€ 2,000
Gjakove	11	203	€ 447,156
Gjilan	11	163	€ 434,482
Mitrovica	17	162	€ 864,136
South			
North	84	1,029	€ 3,092,445
Peja	19	392	€ 1,088,171
Peje	1	10	€ 50,075
Pristina	45	591	€ 1,390,860
Prizren	36	987	€ 1,686,468
<b>Grand Total</b>	<b>247</b>	<b>3,974</b>	<b>€ 14,977,793</b>

## **ICT Sector**

During this quarter EMPOWER team continued going out in the field and met with businesses from ICT sectors. EMPOWER team had 12 meetings with different businesses from Private ICT sector.

The purpose of these visits was to identify actual opportunities for firm-level sales expansion, to assess the potential job-creation impact of those opportunities, and to describe what stands in the way of companies

<b>Regions</b>	<b>CN #</b>	<b>Jobs</b>	<b>Amount Request €</b>
Ferizaj	1	34	€ 70,000
Gjilan	4	37	€ 50,500
Mitrovica South	1	11	€ 48,000
North	6	138	€ 186,380
Peja	2	25	€ 52,000
Pristina	24	659	€ 1,111,772
Prizren	2	26	€ 63,750
<b>Grand Total</b>	<b>40</b>	<b>930</b>	<b>€ 1,582,402</b>

realizing those opportunities. As a result of this visits and meetings, in this quarter we have identified four activities to support in next quarter. Majority of needs in this sector are in workforce development, more specifically in training people for concrete market opportunities, which

require more qualified software developers, application developers and software testers. In terms of number of Cn received for this sector there were 40 CN for different regions requesting €1.5 million.

## **Tourism Sector**

Empower has identified 3 main clusters of Tourism sector: a) tour operators; b) hotel and lodging service providers; c) outdoor/adventure activity providers.

During Q4, EMPOWER focused its activities on identifying and analyzing cluster of outdoor adventure activity providers. We have inventoried the major activity providers in the cluster and assessed their capacities in service provision and their needs in product development as well as equipment for improving the current products as well as introducing new products. Currently there are 14 mountaineering clubs

organized in the mountaineering federation, 2 potholing clubs in the western region of Kosovo and another 5 paragliding clubs across Kosovo. There are other operators that closely work with the mountaineering clubs in providing trekking trips in the mountain ranges of western and southern Kosovo, we are currently evaluating 53 concept notes

<b>Regions</b>	<b>CN #</b>	<b>Jobs</b>	<b>Amount Request €</b>
Ferizaj	2	16	€ 95,600
Gjakove	4	61	€ 198,000
Gjilan	7	170	€ 481,400
Mitrovica South	3	25	€ 218,000
North	5	73	€ 201,800
Peja	11	197	€ 519,587
Peje	1	10	€ 49,500
Pristina	8	117	€ 387,430
Prizren	12	163	€ 577,280
<b>Grand Total</b>	<b>53</b>	<b>832</b>	<b>€ 2,728,597</b>

submitted by the operators and will proceed with supporting the ones in line with objectives of the program.

Based on individual visits to companies and clubs we have identified actual opportunities for product development as well as possibilities to improve the existing products in terms of safety and security as well

as their commercialization resulting in sales expansion, as well as the potential job-creation impact of those opportunities.

## 2. Evaluate and prioritize firm-level job-creating business opportunities in opportunistic sectors

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>• 8 viable focus sector investment opportunities (interventions / activities) selected for interventions;</li> <li>• 24 total beneficiary's incl SMEs in supply chain.</li> <li>• €2.5 MM sales growth,</li> <li>• 100 jobs</li> </ul>	<ul style="list-style-type: none"> <li>• 19 investment opportunities selected for intervention.</li> <li>• 19 direct beneficiaries</li> <li>• € 6.6 million over the period of three years</li> <li>• Total of 473 jobs expected from these approved activities for a period of three years</li> </ul>

### ***Renewable Energy and Energy Efficiency/ Other Sector***

In Renewable energy and energy efficiency sectors only, there are ten Investment Candidates with estimated investment €259,000, which will potentially create 225 new FTE jobs, plus nine investment candidate form from other opportunistic sector with estimated € 351,075 which will potentially create 233new jobs. Total 19 Investment Candidate Forms ICF with estimated investment €610,075 and potential to create 458 new jobs.

Renewable energy and energy efficient and other sector investment opportunities identified:

Applicant	Description of EMPOWER Activity	Sum of SAF Requested	Other Funding	Total	# Jobs	Average of SAF/Job
EKO Briket	Production of wooden briquette	€ 10,000	€ 15,000	€ 25,000	10	€ 1,000
Enrad	Zagreb Trade Fair Production of radiators	€ 3,500	€ 2,579	€ 6,079	15	€ 273
Jeta-H	Production of wood pellet & briquette	€ 12,000	€ 10,000	€ 22,000	12	€ 1,333
Biopellet	Production of wooden pellet	€ 15,000	€ 30,420	€ 45,420	12	€ 3,417
Enrad	Radiator, boiler and stove producer – Internship program	€ 25,000	€ 62,500	€ 87,500	55	€ 454
Thes-Ari	Upgrade of wood briquette production line to increase production capacities in order to meet market demands.	€ 75,000	€ 68,600	€ 128,600	7	€ 10,714
Izolimi Plast	Plastic folia recycling and expansion insulation/ agriculture material production	€ 30,000	€ 45,000	€ 75,000	38	€789
Marketing Plus	Production of fiber glass expansion	€ 32,000	€ 94,000	€ 126,000	30	€1,067
Osa Termosistem	Heating exchanger, ventilation, cooling, heating and solar system	€ 25,000	€ 28,000	€ 53,000	24	€ 1,042

Applicant	Description of EMPOWER Activity	Sum of SAF Requested	Other Funding	Total	# Jobs	Average of SAF/Job
	producer, and milk processing equipment producer					
Cornet Kosova	Carton egg holder producer	€ 31,500	€ 28,500	€ 60,000	32	€ 984
	<b>TOTAL</b>	<b>€ 259,000</b>	<b>€ 384,599</b>	<b>€ 643,599</b>	<b>255</b>	<b>€ 1,151</b>

SECTOR OTHER						
Applicant	Description of EMPOWER Activity	Sum of SAF Requested	Other Funding	Total	# Jobs	Average of SAF/Job
Pure Power	Vehicle air filter producer, production expansion and new product development	€ 35,000	€ 35,000	€ 60,000	28	€ 1,250
Ultra Cosmetics	Wet wipes producer, production diversification and expansion	€ 30,000	€ 300,000	€ 330,00	24	€1,250
Lirimi	Paper bag producer, new product development a production expansion	€ 20,000	€ 93,500	€ 113,500	26	€ 769
Rolleo	Sweets and biscuits production expansion and diversification	€ 40,000	€ 299,930	€ 339,930	40	€ 1,00
Agro Product	Medical Aromatical processing center	€ 42,000	€ 22,750	€ 64,750	16	€ 2,625
AFAS	Training Centre	€ 74,000	€ 19,000	€ 93,00	60	€ 1,233
Fair	Paper bag Production company	€ 69,500	€ 28,000	€ 97,500	14	€4,964
Partner LLC		€ 22,000	€ 184,000	€ 206,000	15	€1,571
Tola B&N	Metal Processing	17,425	118,500		10	1,743
	<b>TOTAL</b>	<b>€ 351,075</b>	<b>€ 1,198,000</b>	<b>€ 1,549,075</b>	<b>233</b>	<b>€ 1,507</b>
	<b>GRAND TOTAL ENERGY +OTHER</b>	<b>€ 610,075</b>	<b>€ 1,542,599</b>	<b>€ 2,152,674</b>	<b>458</b>	<b>€ 1,332</b>

Excluding rejected ICFs the overall results are 12 ICF with estimated investment € 301,425, which will potentially create 324 new FTE jobs

- Only Energy sector, 7 ICFs with estimated investment €159,000, which will potentially create 196 new FTE jobs
- Only other sector, 5 ICFs (excluding north), estimated investment €142,000, which will potentially create 128 new FTE jobs

Applicant	Description of EMPOWER Activity	Sum of SAF Requested	Other Funding	Total	# Jobs	Average of SAF/Job
Enrad	Zagreb Trade Fair Production of radiators	€ 3,500	€ 2,579	€ 6,079	15	€ 273
Jeta-H	Production of wood pellet & briquette	€ 12,000	€ 10,000	€ 22,000	12	€ 1,333
Enrad	Radiator, boiler and stove producer – Internship program	€ 25,000	€ 62,500	€ 87,500	55	€ 454
Izolimi Plast	Plastic folia recycling and expansion insulation/ agriculture material production	€ 30,000	€ 45,000	€ 75,000	38	€789
Marketing Plus	Production of fiber glass expansion	€ 32,000	€ 94,000	€ 126,000	30	€1,067
Osa Termosistem	Heating exchanger, ventilation, cooling, heating and solar system producer, and milk processing equipment producer	€ 25,000	€ 28,000	€ 53,000	24	€ 1,042
Cornet Kosova	Carton egg holder producer	€ 31,500	€ 28,500	€ 60,000	32	€ 984
	<b>TOTAL</b>	<b>€ 159,000</b>	<b>€ 270,579</b>	<b>€ 429,579</b>	<b>196</b>	<b>€ 811</b>

SECTOR OTHER						
Applicant	Description of EMPOWER Activity	Sum of SAF Requested	Other Funding	Total	# Jobs	Average of SAF/Job
Pure Power	Vehicle air filter producer, production expansion and new product development	€ 35,000	€ 35,000	€ 60,000	28	€ 1,250
Ultra Cosmetics	Wet wipes producer, production diversification and expansion	€ 30,000	€ 300,000	€ 330,00	24	€1,250
Lirimi	Paper bag producer, new product development a production expansion	€ 20,000	€ 93,500	€ 113,500	26	€ 769
Rolleo	Sweets and biscuits production expansion and diversification	€ 40,000	€ 299,930	€ 339,930	40	€ 1,000
Tola B&N	Metal Processing	17,425	118,500		10	1,743
	<b>TOTAL</b>	<b>€ 142,425</b>	<b>€ 942,600</b>	<b>€ 1,085,025</b>	<b>126</b>	<b>€ 1,113</b>
	<b>GRAND TOTAL ENERGY + OTHER</b>	<b>€ 301,425</b>	<b>€ 1,213,179</b>	<b>€ 1,514,604</b>	<b>324</b>	<b>€ 930</b>

### **ICT Sector**

In ICT sectors there are seven Investment Candidates with estimated investment € 152,540 which will potentially create 149 new FTE jobs

Applicant	Description of EMPOWER Activity	Sum of SAF Requested	Other Funding	Total	# Jobs	Average of SAF/Job
AUK - FIT	Female in IT training	€ 15,000	€ 76,710	€ 91,710	70	€ 214
AdaptivIT In-Company Training	Software applications	€ 58,420	€ 55,225	€ 113,645	40	€ 1,461
MikroBiz In-Company Training	Software applications	€ 9,400	€ 8,000	€ 17,400	10	€ 940
STIKK	Training, Internship and Employment of youngsters on ICT	€ 48,950	€ 137,790	€ 186,740	70	€ 699
Cactus	Software Testers	€ 30,000	€ 16,600	€ 46,600	26	€ 1,154
Open Data Kosovo	Training and Internship	€ 5,770	€ 25,340	€ 31,110	3	€ 1,923
		<b>€ 152,540</b>	<b>€ 242,955</b>	<b>€ 395,495</b>	<b>149</b>	<b>€ 1,235</b>

### ***Tourism Sector***

Based on low number of applications submitted up until the deadline of the open call the tourism component has postponed the process of evaluation of the concept notes submitted for SAF support. To date there are 52 concept notes submitted to EMPOWER mainly for development of new touristic capacities in accommodation, with some applications also for product development in the outdoor adventure sector. EMPOWER will continue to review the application and processing them for further approval next quarter.

### **3. Expand market connections of opportunistic sector firms**

#### **3.1 Design and implement B2B activities to stimulate business opportunities**

- **Selective trade show attendance**
- **Incoming / outgoing B2B for exports**
- **Domestic major buyer connections for import substitution**

<u>EXPECTED RESULTS FOR YEAR 1 WORKPLAN</u>	<u>ACTUAL RESULTS TO DATE</u>
<ul style="list-style-type: none"> <li>• 4-6 trade shows / B2B activities completed,</li> <li>• 15 company beneficiaries / New business for opportunistic sector producers with 5 domestic importers,</li> <li>• 10 beneficiaries / 5 new buyer relationships</li> </ul>	<ul style="list-style-type: none"> <li>• 3 Fairs: a) ITB Berlin/March- Tourism; b) Destination Nature Paris/March- Tourism and b) Energetika Fair Zagreb/April - Energy</li> <li>• 2 B2Bs: Berlin/March – IT and Tour Operators B2B in Prishtina EDU Training/B2B Albania, Macedonia, Bosnia and Kosovo - Tourism.</li> </ul>

### ***Renewable Energy and Energy Efficiency Sector***

*Wood Biomass Fuel Value Chain Roundtable* - This was the second meeting of this cluster group, which EMPOWER catalyzed. STTA Jakob Modeer presented the high points of his draft assessment of this value chain, which begins in the forest with the raw material for pellet production, extends to pellet/briquette producers, proceeds to stove/boiler manufacturers, and finishes with installed use in households, businesses, and institutions. His presentation included an outline action plan, proceeding from production / productivity improvement, to quality management, to product certification. EMPOWER proposed to this cluster

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formation of industry association of this well-focused interest group, which would coordinate their principal common concerns: forest management, product testing and certification, public awareness and promotion, and consumer / business finance for adoption of energy-saving technologies.

### ***ICT Sector***

EMPOWER team accompanied the Kosovo Association of Information and Communication Technology (STIKK), ICK and 9 ICT companies on a B2B trip to Berlin, Germany. The trip included direct visits to potential business and training partners, and attendance at IT focused trade fair Apps World Germany, on 22-23 April. This activity was sponsored by GIZ and STIKK, and organized by a German ICT consultant engaged by GIZ to help develop the Kosovo ICT sector national strategy. One of the main objectives of this visit was to identify concrete business opportunities for all ICT companies visiting and others which would be channelled through STIKK. The organizers and coordinators of this trip were Capgemini Consulting, who were engaged by GIZ and developed an agenda in coordination with STIKK. The agenda included visits to eight different institutions (start-up incubators, start up bootcamps, start up accelerators, Start up association etc.), and one half day visit to APPS World trade fair. Taking in consideration relatively small size of IT companies in Kosovo and their limited capabilities to provide big service contracts to big companies, the organizers of the trip considered that the opportunity for Kosovo IT companies lays with start-up businesses from Germany. The aim was to introduce overall Kosovo ICT sector, STIKK as an association which brings together the ICT companies and serves them for common interests, and each individual ICT company which participated in this visit.

### ***Tourism Sector***

During the reporting period EMPOWER has undergone a process of evaluation of the current touristic offer of the local tour operators and its suitability for the international markets. We have worked with the operators in improving their product and identifying the future needs in terms of assistance in product development. We have organized a one day workshops with one French tour operator to introduce the basics for access to the French speaking market through the cooperation that we have with the French Embassy in Prishtina. USAID/EMPOWER organized a one-day workshop for 15 Kosovo operators interested to access the French market with their tourism products. Mr. Yves Fouque introduced the present the quality and standard requirements that are necessary for the French operators in order to enter contractual agreements with local operators and successively organize tours in Kosovo. Local tour operators expressed their interest to establish contacts with French tour operators willing to expand with tours in Kosovo. This activity was a follow-up of the participation of four Kosovo operators at the Destination Nature Fair in Paris that USAID/EMPOWER supported.

Through this quarter EMPOWER together with USAID/REG and the Swiss funded PPSE project organized a half day B2B event that was attended by twenty tour operators from the Kosovo and the region, this activity had a speed-dating format where participants could inform their counterpart with their products and specialization. Several operators established contacts and claimed to cooperate in the upcoming months.

USAID/EMPOWER will be working closely with USAID/REG and PPSE to organize a second round of B2B events along with the EDU training provided by ATTA and will be further evaluating the needs of the operators for product development.

Through this quarter we have worked with KIESA in redesigning of the Kosovo presence in international tourism fairs. Together with the new director we have identified the main destination fairs such as the WTM London, ITB Berlin and IFTM Paris where KIESA will supporting the attendance and other fairs with focus the outdoor adventure markets.

With regard to developing connections with the international buyers we have been working closely with the French Embassy in Kosovo to support the publication of the French guidebook Petit Fute that will be focusing on the French speaking markets and will bring Kosovo tourism offer to light. The guidebook will be developed through October – November 2015 and published in by March 2016 in time for the tourism fair season.

#### 4. Facilitate access to business finance for opportunistic sector firms

##### **Assist firms in getting finance required for business opportunities**

Regarding this activity, Facilitate linkages between commercial banks and Renewable Energy and Energy Efficiency sector companies, program reached to the conclusion of organising once per year a workshop meeting with commercial banks and represent all sectors investment and market opportunities, instead of doing it separately per sector.

#### 5. Develop workforce skills

EXPECTED RESULTS FOR YEAR 1 WORKPLAN	ACTUAL RESULTS TO DATE
<ul style="list-style-type: none"> <li>• 8 in-company trainings,</li> <li>• 80 trainees / 10 training programs for individuals (outside companies),</li> <li>• 100 trainees / 2 vocational educational institutes add courses to curricula</li> </ul>	<ul style="list-style-type: none"> <li>• 4 in-company trainings are in implementation faze</li> <li>• 70 trainees (outside companies)</li> <li>• 80 trainees in company training programs</li> </ul>

During this quarter EMPOWER team continued going out in the field and met with businesses from all selected sectors. In regard to Workforce Skills EMPOWER team had 9 meetings with different businesses from private sector and 5 meetings with different institutions and donors.

The purpose of these visits was to identify actual opportunities, to assess the potential job-creation and needs for labour skilled workforce. As a result of this visits and meetings, in this quarter we have identified four activities to support in next quarter (STIKK, AWPK, ENRAD, and Open Data Kosovo). The needs in these visited companies are in workforce development and internship, more specifically in training people and internship programs, which require more qualified workforce. Identified potential beneficiaries are: STIKK for training and internship program of 90 individuals in IT skills, Association of Wood Processing in Kosovo (AWPK) for internship programme for 40 individuals in wood processing sector, Enrad (Energy sector) for

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internship program for 75 individuals, Open Data Kosovo for training of 30 young women and internship for 3 young women in IT skills, STIKK training and internship for 90 individuals in IT skills. From this Quarter we expect to have 220 jobs from these activities. In all sectors there are nine Potential Grantees in total for workforce skills with estimated investment € 232,690 which will potentially create 321 new FTE jobs During this quarter EMPOWER team continued going out in the field and met with businesses from all selected sectors. In regard to Workforce Skills EMPOWER team had 9 meetings with different businesses from private sector and 5 meetings with different institutions and donors.

### **Component 3 - Strengthening Capacity of Local Partners**

EMPOWER issued an RFP asking from Local Organizations to submit Expression of Interest for partnering with EMPOWER in implementing strategic activities of EMPOWER. In response we received 43 Proposals mainly from Business Consulting Service Providers. Out of these 18 were identified that have the capacity and were pre-qualified as potential partners to EMPOWER for specific tasks we plan to engage. All these 18 are prequalified for certain areas of expertise based on portfolio they submitted.

EMPOWER is in the process of formally establishing Kosovo Apparel Marketing Association (KAMA). To date EMPOWER had two public meetings with apparel industry companies. First was to inform them about the need and the benefits of joining with the association, the second was to elect select the board of directors. EMPOWER is helping the association to get formally registered and this process will be completed in next quarter.

EMPOWER is also working on establishing Adventure Tourism Association of Kosovo (ATAK). We met with stakeholders identified potential members and we plan to hold the first assembly beginning of year 2.

EMPOWER is also working very closely with Association of Wood Processors of Kosovo (AWPK) So far we helped the association organize several meetings with their members and we jointly organized participation of five Wood Processors in Tirana Expo Fair.

### **CROSS CUTTING ISSUES: PRIORITY POPULATIONS**

EMPOWER project activities seek to help address the imbalance of women's participation in the Kosovo business world by integrating gender considerations in all program activities in line with USAID's Gender Equality and Female Empowerment Policy. Project activities also target youth, North Kosovo residents, and other marginalized groups. These activities aim to increase inclusiveness of these populations in the private sector.

## MICROENTERPRISES

As seen in section of report for SAF Summary, EMPOWER has 17 microenterprise beneficiaries, who benefited

Status	Number	SAF	Co-Finance	# Jobs
Firm Level Growth	12	€ 240,822	€ 650,057	159
Market Development	2	€ 23,365	€ 32,380	0
Workforce Development	3	€ 73,300	€ 149,090	112
<b>Grand Total</b>	<b>17</b>	<b>€ 337,487</b>	<b>€ 831,527</b>	<b>271</b>

with € 337,487. We should add to this 35 participants of ATTU EDU training which will bring the total number of microenterprises who directly benefited to 51. In terms of numbers for Microenterprises which are in the supply chain and will benefit from EMPOWER interventions that number is 181.

## WOMEN

### Women in Economic Growth Coordination Group

In this quarter, EMPOWER launched the **Women in Economic Growth Coordination Group**. The main goal of this group is to coordinate current and future activities of participating organizations, ranging from training opportunities, awareness raising actions, and support women in business or seeking employment to have better access to financial and networking opportunities, with the goal of creating more jobs for and advancement of women in the private sector. The initial coordination group comprises of eight other local and donor-funded organizations working on women's economic empowerment issues: USAID's Property Rights Program and Advancing Kosovo Together, ARTC, Women's Chamber of Commerce – G7, Women in Business, Women for Women International – Kosova, Promoting Private Sector Employment and GIZ, and Kosovo Women's Network. The coordination group is a direct result of discussions that EMPOWER had in this quarter with the Kosovo Women's Network, which asked EMPOWER to take the lead in this initiative, and with Kosovo Women's Chamber of Commerce (G7), Women for Women International Kosovo Office, and Women in Business, all which expressed their full support adding that it was about time such an initiative took off.

As direct results of awarded grants during this quarter from total of 264 jobs to be created in the first year 188 of them are for women. See table below with details.

Grantee Name	Activity Title	New Jobs	Female Beneficiaries
KOSOVATEX	Training for 20 marginalized women	12	12
Nori Tex	Production Line Extension / Underwear	25	20
SOLID	New children's leather shoes production line	55	45
UNIKAT	New Shirt Production Line	45	40
STAFF	Production Capacities Expansion / Sportswear	80	65
ECO-BRIKET	Expansion of wood briquette production	10	0
JETA-H	Expansion of wood pellet production capacities	12	0
MikroBiz	On-the-job Training of 10 Young Programmers	10	3
ENRAD	Participation in Zagreb "Energetika" Fair	15	3
		<b>264</b>	<b>188</b>

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### **EMPOWER Representation at Events Focusing on Women**

EMPOWER participated in the open session **Gender Analysis in the Value Chain** organized by the Swiss-funded Promoting Private Sector Employment project. The session led by an expert from ILO International Training Centre aimed to facilitate a dialogue between stakeholders on integration of gender skills and knowledge in the consultancy work. The session focused on the need for gender-sensitive value chain development and analysis for the business sector in Kosovo, and how to tailor future training programs accordingly and anchor this expertise at the national level.

EMPOWER participated in an event organized by **USAID** and **Ministry of Justice** on the impact of gender-aspect in property rights, including the impact on women's economic empowerment.

EMPOWER participated in the launching event of the European Bank for Reconstruction and Development **Women in Business Programme**. This innovative initiative is supported by the Sweden Government as the main donor, Luxembourg Government and EBRD Stakeholder Special Fund. The Women in Business Programme (WIB) will provide financing and advice to small and medium-sized women-led enterprises.

EMPOWER participated in the conference **Regional Dialogue Between Women MPs from Serbia and Kosovo** organized in by the Regional Women's Lobby with support of UN Women Project. The conference is part of the initiative on advancing the leadership of women in promoting the implementation of the 2013 Pristina-Belgrade agreement, reconciliation, peace, security and justice in the Western Balkans. Participants were MPs from Kosovo, Serbia, Montenegro, Bosnia and Herzegovina and Macedonia. Discussions were chaired by the Norwegian Ambassador to Kosovo and Regional Women's Lobby Chairwoman, other participants included representatives of civil society from four northern municipalities in Kosovo and other regions. One panel discussion focused on main economic and employment concerns of women and youth in the north.

EMPOWER was invited to be member of the **Gender & Property Coordination Group** established by USAID's Property Rights Program. The group comprises of major stakeholders supporting women's property rights in Kosovo, and seeks to achieve better coordination among various local and international institutions, organizations and donor agencies; provide a forum to coordinate and strengthen legislation to achieve, among others, engagement of women as economic actors. The group will meet every two months and will alternate meetings with the EMPOWER-led women's economic growth stakeholder group.

### **Meetings with Women in Business Support Activities**

EMPOWER met with **TEUTA Magazine**, a monthly publication, which aims to increase women's awareness of their human rights, to assist women seek gender equality and inclusion in decision-making processes and raise their overall awareness on social economic and political advancement. The magazine

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director expressed interest to collaborate with EMPOWER. She suggested that the magazine can produce one supplement on Kosovo fashion designers, and another one on Kosovo's tourism that are distributed with the magazine.

EMPOWER met with the Director of the upcoming **show on RTV21 *Women in Business***, to focus on women entrepreneurs around Kosovo. The shows will begin in September 2015, to be aired every Monday from 9:20-11:30PM. The show format includes a reportage, short video stories and panel discussion in the studio. This is a good opportunity for EMPOWER to showcase on TV the project interventions that have resulted in support for women in business and creation of jobs for women in the private sector. The idea will be discussed further within the project and with the show directors.

EMPOWER met with the owner of **Zico TV** (regional TV in Gjilan/Gnjilane, viewed on both cable TV platforms in Kosovo). She highlighted the need for continuous awareness raising and education of the general public about the role of women in economy, and expressed willingness to cooperate on producing TV shows that tackle this issue.

### **Focus Group with Women Organizations**

EMPOWER continued with the series of focus group discussions with women's organizations across Kosovo. In this quarter, EMPOWER organized five focus in Gjakovë/Djakovica, Pristina, Pejë/Peć, Prizren and Gjilan/Gnjilane. Focus group participants included women-run organizations, NGOs working in the area of women's rights and economic development, beneficiaries of assistance by these organizations, vocational training providers, business owners and unemployed women. Participants shared their diverse experiences, ranging from job-seeking to starting up businesses to implementing projects that aim the economic empowerment of women. Most importantly, participants shared lessons learned and what concrete steps needed to achieve results. The information collected from the focus group discussions around Kosovo informs EMPOWER's activities. EMPOWER has included the Executive Director of Kosovo Women's Chamber of Commerce G7 in all these focus groups as one way of providing support to the organization by facilitating meetings with this target group of women across Kosovo.

### **Lean in Kosovo**

In the previous quarter, EMPOWER established the "Lean In Kosovo" group, which follows the philosophy promoted by Facebook's CEO Sheryl Sandberg, and is dedicated to provide an alternative platform for a dialogue for women through networking and support systems.

In the reporting quarter, Lean in Kosova group organized a session with over 30 young women, participants of the Females in IT training program at the AUK. The Lean in Talk was very well-received by participants,

who came from different universities, and requested that similar gatherings be replicated in their universities with other groups of young women.

Two members of the Lean In Kosova group participated in the TedxPrishtinaWomen event – one of the many similar events that took place around the world between May 27 – 29. The purpose of this event was to celebrate and share success stories from women innovators and doers who have positively impacted Kosovo, in order to facilitate debate and discussions on important issues. At the event, the Lean In Kosova members had the opportunity to meet with attendees and present the group mission.

EMPOWER participated in the three-day workshop that kicked off the Women In Business II program, implemented by RTC Consulting and funded by the World Bank Group and the Swiss State Secretariat of Economic Affairs (SECO). The goal of the program is to train and mentor women in business in order to advance management, leadership and business development skills and knowledge of professional women in the private sector. EMPOWER covered the part of the training focusing on presentation of self and importance of developing public relations, and began the five-month mentoring of one program participant who is developing the internal communications plan of the company she works for. As part of building a more public profile of women in business, and in line with Lean in Kosova’s mission of celebrating professional women, EMPOWER arranged the publication of a story on five group participants in FLATRA monthly magazine. The story titled “FLATRA’s Courageous and Pleasant Women” celebrates the interviewees’ professional success and ability of achieving life-work balance.

## YOUTH

As direct results of awarded grants during this quarter from total of 264 jobs to be created in the first year 181 of them are for women. See table below with details.

Grantee Name	Activity Title	New Jobs	Youth Beneficiaries
KOSOVATEX	Training for 20 marginalized women	12	4
Nori Tex	Production Line Extension / Underwear	25	20
SOLID	New children’s leather shoes production line	55	35
UNIKAT	New Shirt Production Line	45	35
STAFF	Production Capacities Expansion / Sportswear	80	55
ECO-BRIKET	Expansion of wood briquette production	10	10
JETA-H	Expansion of wood pellet production capacities	12	12
MikroBiz	On-the-job Training of 10 Young Programmers	10	10
ENRAD	Participation in Zagreb “Energetika” Fair	15	0
		<b>264</b>	<b>181</b>

EMPOWER attended the launching event of the Self-Employment Programme by the Ministry of Labor and Social Welfare, UNDP and the Embassy of Finland is a new active labor market measure aimed at tackling unemployment in Kosovo. This program will support the unemployed to start up their own businesses through grants amounting from €3,000 - €6,000 and mentorship. This programme gives priority to

disadvantaged groups such as the youth, women, people with disabilities, ethnic minorities, and long-term unemployed.

EMPOWER participated in the half-day conference Girls in ICT – Promoting ICT for Girls in Secondary education organized by NGO KS-Kosova, implementing a project funded by the Norwegian Embassy in Pristina, which has developed a portal ([www.vajzat-tik.com](http://www.vajzat-tik.com)) that serves as a guide for girls to develop and advance professionally in the ICT field. The event was part of the awareness raising activities for encouraging girls from secondary schools to consider and pursue careers in ICT, as a sector that holds great potential for employment of women, who currently are underrepresented.

EMPOWER met with the founders of NGO “3E – Education, Energy, Environment” who are in the process of registering a business. Their idea is to organize for international and domestic visitors special tours around Kosovo to visit women who produce traditional food, handicrafts and run small bed & breakfast operations. Their idea is to present tourists with the genuine way of living in Kosovo. According to the founders they already have a good network of women to be involved in this activity.

#### NORTH KOSOVO RESIDENTS

In the reporting period EMPOWER continue actively to work with the businesses in the North Kosovo. At least 40 businesses and individuals have been visited by EMPOWER office in the North in order to get additional information. EMPWOER received 128 Concept Notes from companies that are based in Northern Municipalities of Kosovo. Total requested amount of funds from these 128 applicants is €4.6 million.

Sector	CN #	Proposed Jobs	Amount Request €
Apparel	10	142	€ 353,838
Energy	3	41	€ 104,000
Food	7	56	€ 191,327
ICT	6	138	€ 186,380
Other	81	988	€ 2,988,445
Tourism	5	73	€ 201,800
Wood	16	168	€ 582,752
<b>Grand Total</b>	<b>128</b>	<b>1,606</b>	<b>€ 4,608,542</b>

Up to this reporting period there are 12 Concept Notes approved by EMPOWER. From these one grant agreement is approved and signed. The total amount of required funding for the approved activities is € 301,045 which will create 170 new jobs on the NK with EMPOWER investment average of 1,771 Euro/job

Applicant	Description	Sector	SAF	Others	Total	Jobs	SAF / JOBS
Agro Centar	Expanding storage capacities...	Other	€ 43,600	€ 40,500	€ 84,100	18	€ 2,422
Aves Prom	Introduction of New Production	Food	€ 27,700	€ 35,800	€ 63,500	18	€ 1,539
Barac Company	Meat Processing	Food	€ 25,400	€ 28,275	€ 53,675	13	€ 1,954

Applicant	Description	Sector	SAF	Others	Total	Jobs	SAF / JOBS
Center for Women Development	Certified training programs for babysitting	Other	€ 16,195	€ 9,210	€ 25,405	18	€ 900
Europa	Wood Pellets	Energy	€ 44,900	€ 52,000	€ 96,900	20	€ 2,245
Godzi	Expansion of production	Wood	€ 40,000	€ 80,000	€ 120,000	15	€ 2,667
In Ter	Climbing on the Berim Rocks - Dare to Imagine	Tourism	€ 6,000	€ 86,950	€ 92,950	5	€ 1,200
Lara	Apparel Production for Youth	Apparel	€ 37,050	€ 30,000	€ 67,050	17	€ 2,179
Markovic	Solid Wood Furniture	Wood	€ 8,000	€ 4,200	€ 12,200	6	€ 1,333
Rodno Seme	Farm, Production of pigs/ fatling	Food	€ 17,000	€ 43,600	€ 60,600	11	€ 1,545
Vulkom	Mushrooms	Food	€ 16,200	€ 20,500	€ 36,700	18	€ 900
Monter-B	Production Expansion	Other	€ 19,000	€ 31,500	€ 50,500	11	€ 1,727
<b>Grand Total</b>			<b>€ 301,045</b>	<b>€ 462,535</b>	<b>€ 763,580</b>	<b>170</b>	<b>€ 1,771</b>

## MARGINALIZED MINORITIES

EMPOWER attended the graduation ceremony of the training program **Equipping Young Kosovar Women to Succeed in the Jobs Market** organized by Women for Women International – Kosovo (WfWI-Kosovo). Over 100 women were certified in ‘Development of Career Portfolio’. The training equipped these women with active job searching skills. The project was implemented by WfWI-Kosovo, in collaboration with the job portal [www.KosovaJob.com](http://www.KosovaJob.com) and supported by Enhancing Youth Employment. Following up on this, EMPOWER met with the WfWI Job Placement Officer to discuss a potential training activity for a group of 25 women out of the total group of graduates. This group of 25 women needs basic IT training: how to use Internet, how to use Word, Excel, in order to increase further their chances for employment. EMPOWER will follow up on this activity in the next quarter.

EMPOWER met with NGO **Qendra e Gruas ATO (Women’s Center THEY)** in Vushtrri/Vučitrn at their request. The NGO is interested in cooperating with our program to arrange for basic skills training to the various groups of women the NGO provides services to: young women who have finished schools and are not employed, single mothers, and unskilled rural women. The NGO will submit to EMPOWER a list of proposed training programs that would benefit these groups of marginalized women, and we will afterwards explore options.

EMPOWER met with **Women’s Initiative Association in Dragash/š**. This association was established in 2010. Its main focus is economic empowerment, gender-based violence, gender equality and health. The association is particularly involved in providing training to girls and women. One of their most successful training courses is the tailoring program. Recently, they trained a group of 30 women, who found employment right away, as a result of which the association is receiving many requests from other girls and

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women to be trained as tailors. The association arranges for the training programs in their facilities, and have 8 sewing machines for training purposes. The association targets women from rural areas. Another project the association is involved in and needs support is training of younger generations in the art of traditional weaving of cloths that are required by tailors and shops all over Kosovo. The association also seeks support from donors to help craftswomen of Dragash/š connect to buyers for their handicraft items.

EMPOWER met with the **Center for Counselling and Assistance for Women “Dora Dorës” in Prizren**. The center was established in 2002, with the goal to promote gender equality through gender policy, advocacy and creating conditions for the social, economic and political welfare of women. The center works closely with women from Roma, Ashkali and Egyptian communities in the region of Prizren, who live in extreme poverty, and are in need of acquiring skills to help them earn a living. Sewing is the training most required from women. The center is interested in cooperating with EMPOWER to create concrete employment opportunities for the women they work with.

EMPOWER met with the **Visionary Woman of XXI Century** association which promotes advancement of women’s rights, economic independence and education for women in the villages surrounding Prizren. The association has a very wide network of rural women who receive or seek assistance from her organization. There is a large group of women weavers who need assistance for expanding the network of buyers for the cloth they produce. The association will open in September its new premises, which include training space.

EMPOWER met with the Executive Director of **NGO Gruaja Hyjnore in Gjilan**, who also owns a tailoring business. She has a long experience in providing tailoring and handicraft training to women and girls, especially from marginalized groups in the region, and has space and capacities to train groups up to 12 people. She mentioned that these trainings are licensed, and is willing to cooperate with EMPOWER in providing training to women from Roma, Turkish and Serbian communities in the region.

EMPOWER met with **the Center for Rehabilitation of Women and Children “Liria” in Gjilan** which provide women and girls seeking their support and services are also with skills training programs to help the reintegration process, and some of these women are good candidates for the training program provided by “Gruaja Hyjnore”.

EMPOWER met with the **Liberal Egyptian Party of Kosovo** Member of the Assembly and the Acting Secretary of the Party at their request. Their reason for the meeting was to share information that in spite of a lot of donor assistance so far, there is no significant progress in the well-being of the Egyptian community. The Member of Assembly mentioned that there are many energetic young people, women and others who can learn skills that make them employable, and that he is willing to facilitate better contacts with the community he represents with the hope of doing activities that will help the Egyptian community in Kosovo improve their lives.

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## **6. STATUS OF OVERALL ACTIVITY PROGRESS**

EMPOWER overall activity progress is in line with Year 1 Workplan. While for the first three quarters of the project, EMPOWER was engaged in activities that dealt with usual project start activities, including promotion of EMPOWER objectives, we also met and visited great number of companies, institutions, donors and other relevant stakeholders. With the aim of understand in the best way, who is doing what, what are the needs, the obstacles, opportunities, is there a market. Fourth quarter clearly shows that this was essential and very much needed in order to have a great start such as EMPOWER did, for concrete activities and direct investments with great job creating opportunities.

That fact that we received over 791 Concept Notes from all different regions of Kosovo shows that EMPOWER had an excellent approach and promotion strategy to show to the private sector community that it is here help and support them in their path to growth, access to new markets, increased sales, improved quality and most importantly that we are here to help in creating new jobs.

EMPOWER has created one great, motivated, responsive, professional and highly regarded team from the business community. By being a part of them on daily bases, visiting their factories and workshops, listening to what their problems are, identifying together with them the obstacles, and continuously advising and serving them on how to resolve those issues.

In general EMPOWER met and in many cases exceeded results targeted in year one.

## **7. LIST OF REPORTS/DELIVERABLES COMPLETED IN THE REPORTING PERIOD**

- **2 TDY reports from Robert Alexandriysky - Apparel Export Marketing Expert**
- **2 TDY report from Luksa Soljan - Wood Sector Expert**

Additionally, the Contractor submitted **Weekly Progress Reports and Meetings** by e-mail to COR on a weekly basis.

## **8. PERFORMANCE PROBLEMS DURING THE REPORTING PERIOD**

Due to intense focus and engagement in identifying and selecting opportunities for job creation at the firm level, there were some activities that were postponed in terms of attention and engagement, thus some of planned activities are delayed for next period.

Planned activities to deepen supply chains to network SMEs into lead company opportunities which was planned to be finalized with Wood Processing and Apparel Conventions was delayed and it is planned to take place by the end of 2015.

Similarly in the area of improving productivity and expand formal quality certification to fulfil business opportunities, activities and result are delayed for next period and will be addressed in Workplan Year 2.

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## 9. ENVIRONMENTAL REGULATION COMPLIANCE

During this quarter Empower engaged the Environmental Specialist for 24 different funded activities to review potential environmental impact of these activities. Six of them are training programs and are as categorical exclusion, meaning there is no need for preparing EMMP or Environmental Review Checklist (ERC).

13 activities were categorized as negative determination with conditions for which the Environmental Specialist prepared Environmental Mitigation and Monitoring Plans (EMMP). All these EMMP were submitted to USAID and BEO and were approved.

On June 25 USAID issued modification to the contract for EMPOWER by changing the Initial Environmental Evaluation (IEE), requesting from EMPOWER that instead of just conducting EMMP, we prepare Environmental Review Checklist (ERC). Since then five ERC have been prepared and submitted to USAID and BEO for review and approval.

By the end of this quarter 24 different environmental reviews were conducted under EMPOWER.

Each EMMP and ERC has very specific description of mitigation measures that need to be conducted by each grantee in close coordination and under supervision of EMPOWER. The EMMP also have very clear and monitoring indicators with clearly assigned and identified responsible parties to monitor and ensure that measures are taken to mitigate any environmental impact of activities implemented under EMPOWER grant supported program.

Frequency of monitoring visits planed is mainly to be done on quarterly bases. As most of the grants were signed during this quarter the actual monitoring of Environmental Mitigation activities will happen next quarter.

Some examples of planned Mitigation Measures and Monitoring Indicators (MI) that will be monitored next quarter are:

### Mitigation Measures

- Purchase and install “ozone friendly” refrigerant –zero or near zero ozone depleting potential.
- Maintenance of cooling chamber to be conducted by licensed, companies. Alternatively, the maintenance services to be conducted by the company that provided the cooling chamber.
- Use ozone friendly refrigerant
- Use highly efficient low noise level compressor
- Follow the manufacturer manual in O&M to insure the efficient operational capacities, safe food products and reduce the occupational hazard risks.
- Use the sanitary cleanup procedure
- Report and repair any damaged insulation
- The unusable fruits, leaves, branches and any other remaining waste, will be composted and used on the owners agriculture land

### Monitoring Indicators

- Indoor air quality maintenance
- In specific areas of the facility workers wearing PPEs as Adequate.
- The waste quantity remaining or delivered to the recycling companies.

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- The waste amount in or near the facility at the visiting time.
  - Storage of the chemicals
  - An emergency plan in place
  - Fire extinguishers in place, and workers trained to use them
  - The extent to which the workers wear the face mask and safety goggles
  - The amount of particles, and dust and other material in the floor.
  - The way the facility (in particular the floor) is cleaned

#### **10. ACTIVITIES PLANNED FOR NEXT QUARTER**

Activities planned for next quarter pend from the Workplan Y2 which we hope to be approved soon after this Quarterly Report is submitted. In the final version of the Workplan we plan to have attached detailed Gantt Chart of Activities which will present also in details the list of activities planned for each quarter.