

BUDGET CHOICES IN A TIME OF PANDEMIC:

ADVANCING GENDER EQUALITY
OR HOLDING IT BACK?

IN KOSOVO

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IN KOSOVO¹



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¹ For the European Union, this designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999. For UN Women, references to Kosovo shall be understood to be in the context of UN Security Council Resolution 1244 (1999)

Table of Contents

PART 1 INTRODUCTION	8
Background on the COVID-19 crisis in Kosovo	8
The economic situation in Kosovo prior to Covid-19 and projections for the current year (including macroeconomic figures such as GDP, employment and general government expenditure as a percentage of GDP)	8
Infection rates and public health implications to date.....	9
1.2. The rationale behind this report	10
The aim of this report	10
Methodology	10
The target groups and envisaged users of this report	10
PART 2 LITERATURE REVIEW	12
2.1 Impact of the COVID-19 crisis in Kosovo	12
PART 3 THE WESTERN BALKANS: A COMPARATIVE ANALYSIS	15
3.1 Government response to the crisis	15
3.2 Budget rebalancing/supplementary budgets adopted and budget changes	18
3.3 Gender analysis of the sectorial impact of Covid-19	22
The rationale behind the choice of the specific sectors chosen for in-depth gender analysis....	22
3.3.1 Ministry of Education, Science and Technology.....	22
3.3.2 Ministry of Labour and Social Welfare: Social assistance and active labour market policies.....	25
Social assistance.....	25
Active Labour Market Measures	27
3.2.3 Ministry of Agriculture, Forestry and Rural Development.....	28
Subsidies for agriculture	28
3.2.4 Ministry of Economy and Environment.....	31
3.3.4 Good practice supporting women in Kosovo	32
Expected impact of the COVID-19 response measures	33
PART 4 CONCLUSIONS AND POLICY RECOMMENDATIONS	35
References.....	37
ANNEX 1	39

LIST OF TABLES

Tabela 1. Macroeconomic and labour market indicators 2012–2019	8
Tabela 2. The Emergency Support Package in Kosovo	15
Tabela 3. Distribution within the Economic Recovery Programme	18
Tabela 4. The 2020 budget and the revised 2020 budget	19
Tabela 5. The initial budget and the revised budget for 2020	20
Tabela 6. Budgetary changes to recurrent expenditure in the Ministry of Education, Science and Technology	23
Tabela 7. Number of beneficiaries of social assistance	27
Tabela 8. Budget for employment services and vocational training	28
Tabela 9. Subsidy beneficiaries according to gender in 2019	31
Tabela 10. Allocation of the budget for businesses	31
Tabela A1. Budgetary cuts, central budget, all budgetary organisations	39
Tabela A2. Students enrolling for the first time in the first year	42

LIST OF FIGURES

Figure 1. Financing of the Economic Recovery Programme (in Euro)	21
Figure 2. Number of households benefitting from social assistance	26
Figure 3. Gender composition of social assistance beneficiaries	26
Figure 4. Contribution of Agriculture to GDP	29
Figure 5: Employment in the agriculture sector according to gender (in %)	29
Figure 6. Enterprise ownership in the agriculture sector	30
Figure 7. Number of active Farm Identification Number holders according to gender	30
Figure 8. Estimated budget for businesses according to gender (in million euros)	32

LIST OF ABBREVIATIONS

EARK	Employment Agency of the Kosovo
GRB	Gender responsive budgeting
HBS	Household budget survey
KAS	Kosovo Agency of Statistics
KIESA	Kosovo Investment and Enterprise Support Agency
MAFRD	Ministry of Agriculture, Forestry and Rural Development
MEST	Ministry of Education, Science and Technology
MLSW	Ministry of Labour and Social Welfare
NEET	Not in education, employment or training
MTI	Ministry of Trade and Industry
PFM	Public finance management
SAS	Social Assistance Scheme
SILC	Standard of income and living conditions
UNKT	United Nation Kosovo Team

PART 1 INTRODUCTION

The background features a complex abstract design. It includes several overlapping circles in shades of purple, magenta, and blue. On the left side, there is a light green silhouette of a person's head and neck in profile, facing right. The silhouette has a dark purple eye and a dark purple mouth. A large, dark purple circle with a fine, stippled texture is positioned in the upper right quadrant. The overall color palette is vibrant and modern.

PART 1 INTRODUCTION

Background on the COVID-19 crisis in Kosovo

The economic situation in Kosovo prior to Covid-19 and projections for the current year (including macroeconomic figures such as GDP, employment and general government expenditure as a percentage of GDP)

The rate of economic growth in Kosovo has been steady and generally at or above the rates of the neighbouring countries. Yet despite steady positive GDP growth, poverty remains high. Based on the Household Budget Survey, it is estimated that in 2017 18 per cent of the population of Kosovo lived below the poverty line with 5.1 per cent below the extreme poverty line (Table 1). According to the 2018 Survey of Income and Living Conditions, 47.3 per cent of households would not be able to cope through their own resources with an unexpected expense amounting to EUR 100 (KAS, 2020) and 17.4 per cent of households found it very difficult to make their necessary payments and this was difficult for 26.6 per cent. The economic growth over the past decade has not been associated with robust job creation in the private sector and therefore the labour market in Kosovo is characterised by an activity rate (15+

years) as low as 40.5 per cent with only 30.1 per cent of the working age population in employment and an unemployment rate of 25.7 per cent in 2019. The position of women and youth in the labour market is particularly disadvantageous with a deep gender divide and only slight improvement in the last decade. The employment-to-population ratio for women was 13.9 per cent compared to 46.2 per cent for men in 2019, while the labour force participation rate for women was only 21.1 per cent compared to 59.7 per cent for men. The unemployment rate was 34.4 per cent for women and 22.6 per cent for men, the youth unemployment rate was 60.3 per cent for women and 44.1 per cent for men and the NEET share of the youth population was 31.4 per cent for men compared to 34.2 per cent for women. Gender differences were observed for all age groups and education levels.

Tabela 1. Macroeconomic and labour market indicators 2012–2019

	2015	2016	2017	2018	2019
GDP real annual growth	4.1	4.1	4.2	3.8	4.0
Poverty rate (based on household consumption)	17.6	16.8	18.0	n.d.	n.d.
Labour force participation rate (%population 15+)	37.6	38.7	42.8	40.9	40.5
Inactivity rate	62.4	61.3	57.2	59.1	59.5
Employment-to-population ratio (employment rate) (% population 15+)	25.2	28.0	29.8	28.8	30.1
Unemployment rate	32.9	27.5	30.5	29.6	25.7
Youth unemployment rate (15-24 years)	57.7	52.4	52.7	55.4	49.4
Vulnerable employment (the self-employed without employees and unpaid family workers)	22.7	22.9	23.1	19.6	18.8
Informal employment (% without an employment contract)	15.5	26.3	21.5	14.0	13.4
Temporary employment	72	70.5	70.6	74.5	54.7

Source: Kosovo Agency of Statistics, Labour Force Survey 2012–2019; foreign direct investment and remittance data from the Central Bank of Kosovo¹

¹ GDP growth from the Economic Reform Programme 2018–2020 and for 2019–2021 and 2020–2022. Available from https://bqk-kos.org/repository/docs/time_series/33%20Foreign%20direct%20investments%20-%20by%20sector.xls and <https://mf.rks-gov.net/page.aspx?id=2.28>. Remittance as share of GDP. Available from <https://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS?locations=XK>.

Several international institutions issued revised economic projections in order to account for the impact of the crisis caused by the Covid-19 pandemic. All of the projections indicated that Kosovo would face a very strong recession during 2020. The World Bank projected that the GDP of Kosovo would fall by at least by 4.5 per cent (World Bank, 2020a), while the IMF and the European Bank for Reconstruction and Development (EBRD) predicted a downturn of 5 per cent in 2020 (IMF, 2020; EBRD, 2020). On 18 June, the Government announced that it expected GDP to shrink by 3 per cent and its tax base to decline by nearly half a billion euros by the end of 2020.

Infection rates and public health implications to date

As of 3 December 2020, Kosovo had 40,117 infected individuals and 1,026 deaths caused by the pandemic. In mid-March, prior to the first reported case of coronavirus infection, Kosovo introduced containment measures to limit the spread of the virus and protect the health of the population. The Government closed all schools and universities, suspended all public transportation services, closed all cafes, bars and restaurants and all non-essential stores, cancelled all cultural and sporting events and obliged all private sector employees to work from home and restrictions were put imposed on certain outdoor food markets. Supermarkets and pharmacies were allowed to remain open throughout the confinement period. On 15 April, the Government tightened restrictions on movement by prohibiting individuals from leaving their houses for more than 90 minutes each day. Certain essential sectors were allowed to continue to operate within specified times.

The economy reopened in three phases. In the first phase (4-17 May) individuals were allowed to leave their residences for three hours each day and certain businesses, such as car dealerships, real estate offices, consultancy companies and certain types of retailer, were permitted to resume operations. In the second phase (18-31 May) individuals were permitted to leave their residences for four hours each day during two time slots in accordance with specific timeframes in the morning and evening and additional businesses were allowed to resume

operations, including dentists and physiotherapists, hairdressers, green markets, certain restaurants and cafes (for takeout only), call centres and museums and galleries. Rail transport and urban and interurban transportation networks also resumed. Phase 3 started on the 1 June with taxis, dine-in restaurants, cinemas, theatres, shopping centres and a select number of sports events resuming operations and nurseries and kindergartens, mosques, churches and other religious centres were also allowed to reopen.

On 16 June, the Ministry of Health published regulations that were more stringent in relation to the governing of commercial venue operations. These rules limited the number of customers allowed to enter a business at a given time and required, among other measures, the use of disinfectant and facemasks. During this period (August 2020), in order to reduce the spread of COVID-19 restaurants, bars, nightclubs and similar venues across Kosovo were prohibited from operating between 10.30 p.m. and 5 a.m. To limit the spread of the virus, all public institutions and private firms were required to reduce their number of employees working at the same time down to the essential staff required to maintain operations.

Because of the high number of new cases of COVID-19, the residents of Pristina and 12 other municipalities were prohibited from leaving their homes for any reason other than emergencies, such as urgent health issues, domestic violence or the death of a family member, between the hours of 10.30 p.m. and 5 a.m. Any public or private gathering involving more than five people was prohibited as was attending religious services of any kind. The Government also banned the slaughtering of animals at home. As of 29 July, there was a prohibition on all group sports, such as football, at all venues. Only individual exercise was permitted, including outdoor pools and gyms. Public transportation was required to operate at half capacity in order to allow passengers to follow the social distancing guidelines when travelling. With the increased number of cases in mid-November, the Government introduced new restrictions for municipalities based on the number of cases per 100,000 inhabitants. People in the municipalities with the highest number of cases were not allowed to leave their homes after 7 p.m.

1.2. The rationale behind this report

The aim of this report

The Government of Kosovo reacted relatively quickly to the pandemic crisis with measures to support businesses, public owned enterprises, households and vulnerable groups. This report focuses on the following:

- to provide an overview of the methodology utilised for the budget reallocations and the design of the government response,
- assess the effect that the budget cuts and reallocations had on gender,
- examine the gender impact of the government response measures.

The focus of this report was to conduct a gender analysis of the budget reallocations within the revision of the budget for 2020 and selected measures from the Economic Recovery Programme.

The report is expected to inform civil society organisations (CSOs) and other actors (such as academia) and to highlight the need for their active engagement, inform think tanks and research institutions in relation to their potential impact assessments and serve international agencies.

Methodology

The Ministry of Finance provided tables from the original and revised budget for the purpose of this analysis, including tables with sub-programmes within each ministry and budgetary organisation. In order to assess the potential impact of the government measures, desk research into the historical data for a specific sector was undertaken. The wage subsidy, for example, required an examination of the Kosovo Agency of Statistics information pertaining to the share and size class of women owned businesses. Other sectors, such as social protection, required information from the Ministry of Labour and Social Welfare on the gender structure of social assistance recipients.

The target groups and envisaged users of this report

This report was prepared in order to support the Government of Kosovo in designing future emergency responses and to ensure that the needs of women and men are adequately taken into account and addressed equally. The report also aims to highlight the need for gender analysis during the performance of budgetary cuts and reallocations.

PART 2 LITERATURE REVIEW

The background features a complex abstract design. It includes several overlapping circles in shades of purple, magenta, and blue. On the left side, there is a light green silhouette of a person's head in profile, facing right. The eye area of this silhouette is filled with a dense pattern of small, light-colored dots. The overall composition is layered and modern.

PART 2 LITERATURE REVIEW

2.1 Impact of the COVID-19 crisis in Kosovo

In May 2020, the United Nations Kosovo Team (UNDP, UNFPA and UN Women) published a report that assessed the impact that COVID-19 had on the situation of families and businesses. This was based on information collected through a survey involving 1,412 households and 202 businesses. The survey found that 9 per cent of men and 5 per cent of women had lost their job because of the pandemic crisis.² Among the employed, 59 per cent of men and 61 per cent of women had experienced a reduction in their working hours. The pandemic hit the self-employed harder with 69 per cent of men and 72 per cent of women experiencing reduced working hours.

At the time of the survey, 8 per cent of the respondents had lost their job because of the pandemic. The biggest job losses occurred in the construction sector (23%) and the accommodation and food service activities (14%); these two sectors provide employment for around one-fifth of the main income earners in households in the country. According to the Labour Force Survey results, in the first quarter of 2020 (KAS, 2020) these two hardest hit sectors predominantly employed men: 37.4 per cent employed in construction and 20.8 per cent in accommodation and food service activities compared to just 0.7 per cent and 4.3 per cent of women respectively. It is important to note that employers that employ mostly women, such as private kindergartens, have been hard hit by the COVID-19 crisis and there is anecdotal evidence that they have terminated payment of their employees.

Around half (49%) of the households had experienced a reduction in income due to the pandemic, while 44 per cent declared that their household income had not changed. Businesses also had issues with revenue levels with 63 per cent reporting a decrease in revenue. More women (42%) than men (19%) worked from home instead of their usual place of work during the outbreak. This can be attributed in part to the government requirement that one parent is allowed to remain at home with small children because of the closure of schools and kindergartens.

In such instances, the women were the ones who managed working from home. Regarding business activity, the pandemic has forced a lot of businesses (56%) to close and many (31%) to work at reduced capacity with only 13 per cent operating as normal. Among those that did not stop their operations 11 per cent claimed that they had to make reductions in staff and that the larger the business the more likely it was that the workforce would be reduced. Around 40 per cent of the companies with more than 50 employees had reduced their staff levels in response to the pandemic. Most of these businesses stopped their activity because of the government measures (81%) but others because of a shortage of clients (24%) or problems relating to the payment of salaries (16%). Evidence of the worsening labour market situation caused by the pandemic crisis was also observed in the unemployed date. According to data presented by Institute Democracy for Development (D4D), during the period March-October 2020 the number of first-time job seekers registered at the Employment Agency increased by 81,929 of which 47 per cent were women and 53 per cent were men. An increase in the number of unemployed women was recorded over the months of April and May 2020, which can in part be attributed to the monthly assistance benefit provided during those months for citizens in difficult social conditions. A United Nations Kosovo Team study conducted in 2020 revealed that 28 per cent of respondents had experienced psychological, mental or emotional stress and related health issues during the pandemic: 30 per cent of women compared to 25 per cent of men. The survey also found that the pandemic situation has increased the burden on women in the household with women dedicating more hours (57%) to cleaning during the COVID-19 outbreak than men (39%). In addition, 56 per cent of women and 27 per cent of men reported spending more time on cooking and serving meals and 37 per cent of women also spent more time with their children through games, reading and discussions compared to 29 per cent of men.

2 www2.unwomen.org/-/media/field%20office%20eca/attachments/publications/2020/07/factsheet-kosovo-fin-min.pdf?la=en&vs=1209.

Accessing basic social and health services was a challenge for 50 per cent of the respondents, many of whom stated that they had difficulty in getting food and even more stated that they had difficulty in getting supplies for personal protection (59%). More than 30 per cent of the respondents stated that they had difficulty accessing hygiene and sanitary products and around 20 per cent faced difficulty in accessing health services and social assistance. Around 53 per cent of women and 46 per cent of men reported having difficulty in accessing food and 57 per cent of women and 51 per cent of men reported having difficulty in accessing medical supplies for personal use.

PART 3 THE WESTERN BALKANS:

A COMPARATIVE ANALYSIS

PART 3 THE WESTERN BALKANS: A COMPARATIVE ANALYSIS

3.1 Government response to the crisis

To support households and businesses, the Government of Kosovo approved the Emergency Fiscal Package and revised the 2020 budget in order to allocate EUR 365 million for financing the Economic Recovery Programme. It also includes compensation for Diaspora Green Card insurance (Table 6). The Government prepared the draft Law for Economic Recovery, which was approved by the Assembly on 4 December 2020.

The Emergency Fiscal Package was approved on 30 March 2020. The package contained 15 measures of immediate financial intervention in response to the situation created by the COVID-19 pandemic (Table 2). The initial Emergency Support Package amounted to approximately EUR 170.6 million (2.1% of GDP), while on 18 May the Government allocated an additional EUR 10.9 million (0.14% of GDP) to facilitate the implementation of the Emergency Support Package.

Tabela 2. The Emergency Support Package in Kosovo

Measure	Planned budget	Target group	Number of beneficiaries and amount disbursed by end of August
Double payment of the amount of the social assistance scheme provided for 2 months (April and May).	7,650,000	Beneficiaries of social assistance The elderly, the poor and the vulnerable	Around 25,000 households EUR 7,805,490
An additional payment of EUR 30 per month for all beneficiaries of social assistance and the pension schemes with income below EUR 100 for 3 months (April, May and June).	13,000,000	Beneficiaries of social assistance and pension schemes with monthly income lower than EUR 100. Target group: the elderly deeply poor or vulnerable, including pensioners with low pensions.	162,686 beneficiaries EUR 15,165,525
Financial support for companies a) Coverage of monthly employee wages to the amount of EUR 170 for a period of 2 months (April and May). b) Rent subsidy up to 50% of the amount of the rent for small and medium sized enterprises. c) Coverage of the minimum amount of pension contributions.	61,000,000	Companies in financial difficulty as a result of decreased activity because of the emergency public health situation.	147,550 employees EUR 55,009,494
Ensure interest-free credit for public enterprises (with the obligation to return the loan by the end of 2020)	20,000,000	Public enterprises	
Ensure financial support for the municipalities in Kosovo.	10,000,000	Municipalities	

Ensure salary bonuses to the amount of EUR 300 for employees in essential sectors (2 months).	15,000,000	Frontline employees	
Ensure a salary bonus of EUR 100 for employees of grocery stores, bakeries and pharmacies (2 months).	3,000,000	Frontline employees	
Ensure payment of monthly assistance of EUR 130 for citizens who lost their job for 3 months (April, May and June).	4,000,000	Citizens who lost their job because of the public health emergency situation Unemployed	804 beneficiaries EUR 322,140
Support initiatives and projects aimed at improving the lives of non-majority communities in the Kosovo.	2,000,000	Minority communities	
Ensure financial liquidity for micro-enterprises and the self-employed to an amount of up to EUR 10,000 for a period of 2 years.	15,000,000	Micro-enterprises and the self-employed	
Increase the budget for grants and subsidies for the Ministry of Agriculture, Forestry and Rural Development in order to increase agricultural production.	5,000,000	Farmers	
Increase the budget for grants and subsidies for the Ministry of Culture, Youth and Sports in order to overcome the situation created by the public health state of emergency in relation to sport and cultural activities.	5,000,000	Youth, culture and sports workers	
Support exporters in the of Kosovo after the end of the public health emergency.	10,000,000	Exporting firms	
Ensure financial support for companies that register employees through employment contracts of at least one (1) year during the period of the public health emergency to the amount of EUR 130 for a period of two months after their registration.	6,000,000	Companies registering new employees through an employment contract of at least one year during the period of the public health emergency. New vulnerable, especially informal workers in formal companies.	14,463 beneficiaries EUR 3,820,821
Ensure payment of monthly assistance to the amount of EUR 130 for citizens living in dire social conditions, those declared as unemployed with the competent institution and those who are not beneficiaries of any monthly income from the Kosovo Budget (3 months).	3,000,000	Citizens with severe social conditions, those declared as unemployed with the public employment service and those who are not beneficiaries of any monthly income from the budget of Kosovo. New vulnerable	About 28,000 beneficiaries EUR 10,663,090

On August 13, the Government added some new measures amounting to EUR 365 million (Table 3) mostly focused on supporting the economic recovery. However, it is important to emphasise that the budget was only allocated for a few of the measures including in the Economic Recovery Programme.

The status of the budget allocation is indicated for each of the following measures:

- Facilitate access to loans for private enterprises, to finance investment projects and the business continuity (EUR 100,000,000). The Government launched the EUR 60 million Loan Guarantee Fund to support private and public enterprises through new instruments for loan guarantees, namely increasing the guarantee up to 80 per cent, on 14 December 2020. There was no additional information on the eligibility criteria, which would have enabled an assessment of whether women owned businesses, mainly micro and small, would benefit from this fund.
- Ease the tax burden on businesses in order to improve their short-term liquidity, to the amount of EUR 15,000,000. To date, nothing has been allocated for this; however, it is now possible because the Law for Economic Recovery has been approved.
- Provide professional support for businesses to operate in times of pandemic, such as working from home, online work, digital transformation, etc. (EUR 3,000,000). To date, nothing has been allocated for this measure.
- Support manufacturing and service businesses in acquiring equipment and machinery for process automation (EUR 10,000,000). To date, nothing has been allocated for this measure.
- Provide support for businesses in increasing their productivity (EUR 2,000,000). To date, nothing has been allocated for this measure.
- Increase domestic agricultural production in order to increase employment in rural areas, reduce the need to import agricultural products, overcome the challenges related to the lack of sales caused by the COVID-19 pandemic and to increase food security (EUR 26,000,000).
- Stimulate aggregate demand in order to stimulate production and employment with multiplier effects for the economy (EUR 15,000,000). To date, nothing has been allocated for this measure.
- Allow the withdrawal of the amount of 10 per cent of the funds saved in the Pension Trust for the contributors, based on their needs. This opportunity should be made available for a period of four months. This measure was included in

the Law for Economic Recovery that was approved on 4 December 2020.

- Support the extension of the grace period for the purchase of apartments and houses based on income criteria (EUR 15,000,000). To date, nothing has been allocated for this measure.
- Subsidise the operation and capital investment of publicly owned enterprises and in particular those investments that are of a strategic nature in order to cope with the reduction in collection revenue and the necessary capital investments they have to undertake (EUR 17,000,000).
- Provide financial support for youth employment, civil society organisations and other informal groups and for stimulating cultural, artistic and sports activities and their revitalisation (EUR 5,000,000). Within the EUR 87 million allocated for the Economic Recovery Programme a total of EUR 2,500,000 was allocated to the Ministry of Culture, Youth and Sports for this purpose.
- Support the existing and new programmes related to regional development through the Ministry of Regional Development in order to ensure balanced regional development (EUR 2,000,000). Within the EUR 87 million allocated to the Economic Recovery Programme a total of EUR 1,000,000 was assigned for this measure.
- Provide financial support for projects and initiatives aimed at improving the position of women in society and in the economy (EUR 2,000,000). Within the Economic Recovery Programme, a total of EUR 1,000,000 was allocated for this measure (this measure is explained in a separate section in this report).
- Support the education sector in order to enable the smooth running of the teaching and learning process during the school year 2020/2021, (EUR 10,000,000).
- Provide financial support for diaspora by covering the cost of the insurance policy premium (EUR 3,000,000). Given the low influx of diaspora during the pandemic, there was no evidence available on how much had been used to date for this measure within the Economic Recovery Programme.
- Ensure contingency for emergencies. The contingency is to be maintained for emergencies in order to be better able to cope with the COVID-19 pandemic (EUR 19,000,000).

EUR 87 million was allocated to the Economic Recovery Programme but not all of the amount had been disbursed at the time when this report was being prepared. Based on a discussion with a representative of the Ministry of Finance, no gender

analysis was included in the design process of any of the above measures. The only exception being the specific budget allocated to the Agency for Gender Equality (a detailed description of which is provided later in this report).

Tabela 3. [Distribution within the Economic Recovery Programme](#)

	87,000,000	Institution	Target group
Wage subsidies	60,000,000	Ministry of Economy and Environment	Businesses receiving financial support (depending on the number of employees)
Entrepreneurship	1,000,000	Ministry of Economy and Environment	
Support to publicly owned enterprises	1,000,000	Ministry of Economy and Environment	
Double subsidies for agriculture	12,000,000	Ministry of Agriculture, Forestry and Rural Development	
Double social assistance for 3 months (September-December 2020)	7,500,000	Ministry of Labour and Social Assistance	
Support to culture, sport and entrepreneurship	2,500,000	Ministry of Culture, Youth and Sports	Sports Youth employment Transfers and subsidies
Subsidies and transfers	1,000,000	Ministry of Regional Development	Grants to businesses
Support for ethnic minorities	1,000,000	Office for Communities/ Prime Minister's Office	
Support to women	1,000,000	Agency for Gender Equality/ Prime Minister's Office	Kindergartens

The draft Law on Economic Recovery is intended to boost the economy. One of the measures foreseen by the programme is to allow citizens to withdraw up to 10 per cent of their savings held in the Pension Trust. However, based on analysis, the impact might be limited because only half of the pension contributors are able to withdraw up to EUR 73 (30% only up to EUR 9).

3.2 Budget rebalancing/supplementary budgets adopted and budget changes

The Kosovo Law on Gender Equality obliges all institutions to mainstream gender into all policies, documents and legislation and to undertake gender-responsive budgeting in all areas. Moreover,

the Law allows public institutions to implement special temporary measures in order to accelerate the realisation of equality between women and men in areas where inequities exist. In this report,

the focus of analysis rests on assessing whether the above-mentioned obligations were respected during the design of the government response to COVID-19. The analysis focuses on the process for and the implications of the budget rebalances that were part of the revision of the budget for 2020. Law No. 07/L-001 on the Budget Appropriations of the Kosovo was approved on 15 March 2020. On 7 August, the 2020 Budget was revised in accordance with Law No. 07/L-014 (the Law on Amending and Supplementing Law No. 07/L-001 on Budget Appropriations for the Budget of Kosovo for the Year 2020). Discussions held with a representative of the Ministry of Finance revealed that there was no methodology prepared to guide the budget cuts and reallocations. Because of the nature of the emergency, no pre-assessment was conducted from the gender perspective and

no gender-disaggregated data was utilised. Yet two measures directly tailored to women were designed: One was a measure worth EUR 2 million allocated to the Agency for Gender Equality within the Office of the Prime Minister and the other a measure worth EUR 470,000 allocated to the Ministry of Trade and Industry to support women owned businesses (more detailed information on this is presented later in this report). Because of the budget revisions, a total of EUR 365 million was allocated to the Economic Recovery Fund. As shown in Table 4, the revised budget for 2020 increased by 11 per cent. It can be noted that wages and salaries remained almost unchanged, the budget for goods and services increased by 11.8 per cent, subsidies and transfers increased by 7.3 per cent and capital expenditure increased by 8.6 per cent.

Tabela 4. The 2020 budget and the revised 2020 budget

Expenditure	2020 Budget	Revised 2020	In %
Total	2,357	2,620	11%
Recurrent expenditure	1,653	1,860	
Wages and salaries	619	621	0.3%
Goods and services	357	315	-11.8%
Subsidies and transfers	633	679	7.3%
Recurrent reserves	44	34	-22.7%
The Economic Recovery Programme	0	365	
Capital expenditure	672	730	8.6%
Regular budget financing	510	397	-22.2%
Debt financing through the investment clause	77	148	92.2%
Liquidation proceeds	65	185	184.6%
Interest on the public debt	32	30	-6.3%

Source: Ministry of Finance.³

³ Original 2020 budget. Available from <https://mf.rks-gov.net/desk/inc/media/EA0446D5-97E0-4540-A9CB-73521FD245A9.pdf>. Revised 2020 budget. Available from <https://mf.rks-gov.net/desk/inc/media/C967DC09-044E-4CED-8391-4DB711241381.pdf>.

Table 5 below provides information on the budget per ministry but does not include other budgetary organisations or municipalities. It is important to mention that the 2020 budget included fewer ministries as some ministries had been merged, while the revised budget includes a larger number of ministries. Table 5 shows the adjustments stemming

from these changes and based on this how the budget changes were calculated across the different sectors. It is also important to mention that although the Economic Recovery Fund is budgeted under the Ministry of Finance its allocated budget is then disbursed to other ministries for the implementation of economic recovery measures.

Tabela 5. The initial budget and the revised budget for 2020

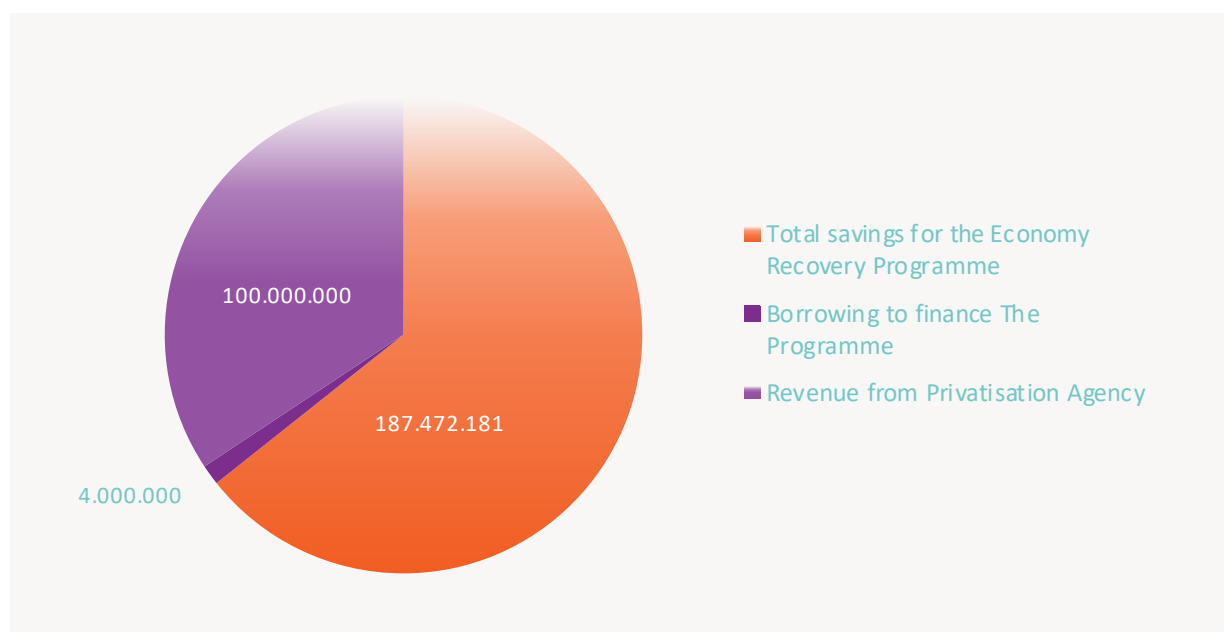
	Original 2020 budget	Revised 2020 budget	Change in EUR	Correction for merger/split of ministries	Change in %
Assembly	11,155,484	10,019,535	(1,135,949)		-10%
Office of the President	4,072,865	3,380,121	(692,744)		-17%
Office of the Prime Minister	21,219,716	15,016,506	2,661,774	17,678,280	13%
Ministry of Education, Science and Technology	75,540,015	63,016,677	(12,523,338)		-17%
Ministry of Health	50,855,125	51,076,501	221,376		0%
Ministry of Agriculture, Forestry and Rural Development	60,050,521	57,627,856	(2,422,665)		-4%
Ministry of Labour and Social Welfare	459,767,491	481,075,414	21,307,923		5%
Ministry of Finance	83,964,049	345,208,528	261,244,479	Because of the Economic Recovery Fund of EUR 365 million, it also includes compensation for insurance on Green Cards for Diaspora.	311%
Ministry of Justice	29,853,812	30,106,574	252,762		1%
Ministry of Regional Development	5,759,203	4,521,825	(1,237,378)		-21%
Ministry of Infrastructure	202,905,609	130,704,711	(72,200,898)		-36%
Ministry of Economy and Environment	69,412,074	115,343,402	7,052,000	122,395,402	10%
Ministry of Foreign Affairs and Diaspora	33,544,281	28,928,646	(4,615,635)		-14%
Ministry of Trade and Industry		7,052,000	7,052,000		
Ministry of Internal Affairs	160,181,851	148,722,254	(11,459,597)		-7%

Ministry of Culture, Youth and Sports	44,176,109	38,546,389	(5,629,720)	-13%
Ministry of Return and Communities	7,013,261	4,762,114	(2,251,147)	-32%
Ministry of Local Government Administration	4,630,312	4,927,121	296,809	6%
Ministry of Defence	69,275,842	63,602,303	(5,673,539)	-8%
Hospital Clinical and University Service of Kosovo	118,714,402	117,086,365	(1,628,037)	-1%
Ministry of European Integration	2,661,774		(2,661,774)	This is now part of the Prime Minister's Office

Source: Ministry of Finance.⁴

As can be noted from Figure 1, the Economic Recovery Programme amounted to EUR 288.5 million of which 187.5 was planned to be financed through budgetary cuts made to most of the budgetary organisations, 4 million obtained through borrowing and EUR 100 million was planned to be financed through the Privatisation Agency.

Figure 1. Financing of the Economic Recovery Programme (in Euro)



Source: The revised budget for 2020.⁵

4 Original 2020 budget. Available from <https://mf.rks-gov.net/desk/inc/media/EA0446D5-97E0-4540-A9CB-73521FD245A9.pdf>. Revised 2020 budget. Available from <https://mf.rks-gov.net/desk/inc/media/C967DC09-044E-4CED-8391-4DB711241381.pdf>.

5 <https://mf.rks-gov.net/desk/inc/media/C967DC09-044E-4CED-8391-4DB711241381.pdf>.

Through Government Decision 10/33, taken during a meeting held on 28 September 2020, EUR 87 million from the Economic Recovery Programme was allocated to a number of institutions in order to support businesses, public enterprises and households. Table 3 shows the distribution of this budget.

3.3 Gender analysis of the sectorial impact of Covid-19

The rationale behind the choice of the specific sectors chosen for in-depth gender analysis

The selection of the sectors for in-depth analysis took into account the budget cuts and reallocations related to the revised 2020 budget. The sectors were chosen in accordance with the criteria presented below.

- Ministry of Education, Science and Technology: This ministry's budget was reduced by 17 per cent because of the revision, one of the largest cuts both in absolute and relative terms.
- Ministry of Labour and Social Welfare: This sector has been subject to budgetary cuts but is also a sector for which the Government has allocated additional funds for social protection within the Economic Recovery Programme.
- Ministry of Economy and Environment: This ministry was allocated EUR 60 million for wage subsidies to support businesses directly based on the number of registered employees.
- Ministry of Agriculture, Forestry and Rural Development: This ministry is important for development in Kosovo and therefore has a large budget with additional funds allocated from the budget for the Economic Recovery Programme. Hence, it was of interest to assess whether the distribution of fund through this ministry took the gender perspective into account.
- Lastly, the results of this analysis were presented to the Minister of Finance and the Chief Executive Officer of the Agency for Gender Equality. Their feedback and input is reflected in this report.

3.3.1 Ministry of Education, Science and Technology

The budget revisions caused a reduction in the budget for the Ministry of Education, Science and Technology of 17 per cent or EUR 12.5 million (Table 5). The reductions were recurrent in goods and services as well as in capital expenditure. In regard to recurrent expenditure, Table 6, below, shows the reductions made to the original budget (highlighted in yellow) to the revised budget (highlighted in white). As can be seen, reductions were made to all of the budget items. Among other items, the budgets for children with special needs and budget for teacher trainings were cut.

According to the Ministry report for 2019/20,⁶ 57 per cent of teachers were women and hence the reduction in the budget for the training of teachers will largely affect women. The reduction in the budget for children with special needs is likely to have a greater impact on mothers as usually they are the primary caregiver. A request for more information about the budget cuts made to the Division of Special Education was sent to the Ministry but no response was received. According to the Ministry of Finance, cuts were made to sub-programmes and projects in which no initiative was taken in the first half of the year.

⁶ <http://masht-smia.net/Publikimet/39ALB.pdf>.

Tabela 6. Budgetary changes to recurrent expenditure in the Ministry of Education, Science and Technology

Description of sub-programme	Goods and services	TOTAL	Difference	In %
Head Administration	2,035,881.00	9,098,096	(1,014,749)	-11%
Head Administration	2,202,881	10,112,845		
Agency of Vocational Education and Training	441,516.00	3,733,738	(82,730)	-2%
Agency of Vocational Education and Training	466,516	3,816,468		
Accreditation Agency	427,510.00	534,877	(627)	0%
Accreditation Agency	427,510	535,504		
Education for Children with Special Needs	300,701	1,627,922	(173,037)	-11%
Education for Children with Special Needs	450,701	1,800,959		
National Qualification Agency	122,949	215,012	(50,887)	-24%
National Qualification Agency	172,949	265,899		
Education Inspectorate	140,600	798,351	(204,686)	-26%
Education Inspectorate	340,600	1,003,037		
Pristina Institute of Albanology	194,954	977,145	(27,551)	-3%
Pristina Institute of Albanology	196,954	1,004,696		
History Institute	115,000	482,806	(86,486)	-18%
History Institute	200,000	569,292		
Leposavic Institute	4,178	62,000	(11,300)	-18%
Leposavic Institute	14,178	73,300		
Kosovo Pedagogic Institute	57,102	213,111	(74,848)	-35%
Kosovo Pedagogic Institute	122,102	287,959		
Capital Investment for Pre-University Education	5,666,680.51	5,666,681	(570,000)	-10%
Capital Investment for Pre-University Education	6,236,681	6,236,681		
Bilateral Agreement		468,478	(1,000,000)	-213%
Bilateral Agreement		1,468,478		
Observatory and Planetarium of Kosovo		-	(236,569)	100%
Observatory and Planetarium of Kosovo		236,569		
Supporting Children with Exceptional Intellectual Potential		200,000	-	0%
Supporting Children with Exceptional Intellectual Potential		200,000		
Basic Education Programme	50,000	247,003	(50,000)	-20%

Basic Education Programme	100,000	297,003		
Student Centre	3,070,185	5,098,709	158,970	3%
Student Centre	2,851,185	4,939,739		
Teacher Training	249,747	252,502	(141,245)	-56%
Teacher Training	389,747	393,747		
University of Ferizaj	138,370	978,452	(98,630)	-10%
University of Ferizaj	228,370	1,077,082		
University of Gjakova	256,339	1,630,905	(79,141)	-5%
University of Gjakova	316,339	1,710,046		
University of Gjilan	196,339	1,622,614	(141,368)	-9%
University of Gjilan	316,339	1,763,982		
University of Mitrovica	316,339.00	3,430,219	(131,026)	-4%
University of Mitrovica	366,339	3,561,245		
University of Peja	477,007	2,440,484	45,352	2%
University of Peja	412,007	2,395,132		
University of Prizren	350,000	2,145,014	(278,714)	-13%
University of Prizren	600,000	2,423,728		
Curricula Development	62,000	62,000		0
Curricula Development	172,000	172,000		
Office of the Minister	60,946	298,243	(78,703)	-26%
Office of the Minister	137,946	376,946		

The budget revision also resulted in cuts to capital expenditure in the budget of the Ministry of Education, Science and Technology. As noted in Table 6 above, among the capital investments that were cut, EUR 664,000 was cut from the construction of sports halls in around 20 schools. The only available evidence on engagement in sports activities came from the Labour Force Survey and the Time Use Survey commissioned by the Millennium Challenge Corporation in 2017. The surveys found that men spend on average 0.6 hours on sports compared to 0.2 hours by women. The unpublished draft Analysis on Gender and Sports for the Agency for Gender Equality also reported the limited engagement of women and girls in sport. Given that private sports are expensive in the Kosovo and that parents are more prone to engage boys in sports, increased availability of the sports infrastructure in schools is of greater importance to girls. Therefore,

the reduction in the budget for the sports infrastructure within the revised budget will have more of an influence on girls compared to boys. Since there was no data on the engagement of girls in sports activities in schools prior to the budget revision, quantitative analysis was not possible.

Significant reductions were observed in public universities in the academic year 2019/2020 when 60 per cent of newly enrolled students were women (see Table A1 in Annex). While the budget reduction will not impact the continuation of student studies, it will influence the conditions for studying and perhaps the quality of study.

3.3.2 Ministry of Labour and Social Welfare: Social assistance and active labour market policies

As indicated conceptually in a recent World Bank report (2020), the social protection systems rest on three main pillars: social insurance (pensions, disability, survivor, and unemployment benefit), social assistance (non-contributory means tested programmes, social pensions, and family and child related benefits) and labour market programmes (employment services and active labour market measures). For the purposes of this analysis, the focus rests on social assistance (which has increased within the Economic Recovery Programme) and active labour market measures (for which the budget has been reduced).

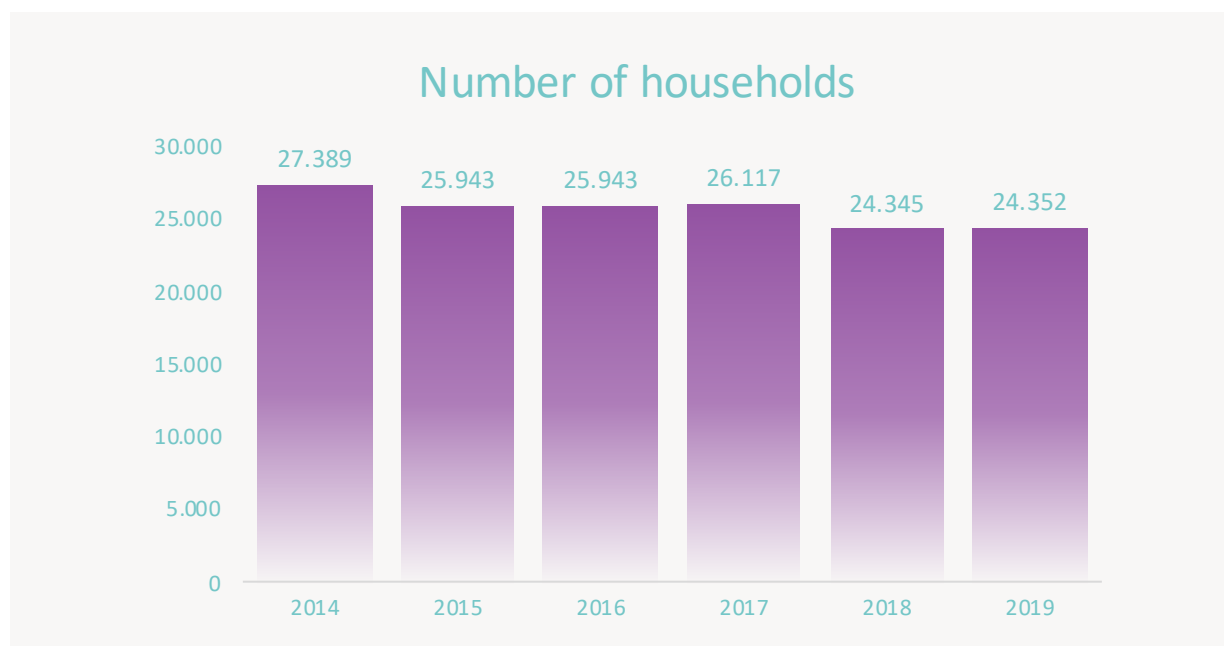
Social assistance

The Social Assistance Scheme is a targeted cash transfer and the only programme that targets the poor. The scheme aims explicitly to reduce poverty through targeted cash transfers linked to certain in-kind benefits and fee exemptions. The unit of assistance for the Social Assistance Scheme is the family, which is composed of “all family members that are present in the household: spouse or co-habiting partner, parents and children including adopted, fostered or children of the spouse.”⁷ An individual with no other family members in the household is considered a one-member family. In terms of scope, the Social Assistance Scheme is the second largest social protection programme after the basic pensions. In contrast to all other social protection, spending on Social Assistance Scheme assistance has remained constant over the past (World Bank, 2020). The Social Assistance Scheme is the only direct programme for poverty reduction in the Kosovo and targets families that do not gain sufficient income through their employment or other sources. It focuses its resources on poor families with young children and on families where all or most members are dependent and/or unable to work.

Social assistance is an essential tool for social risk management and provides a last resort safety net. Building human capital among the poor so that they gain or regain their ability to sustain their lives from work is another key goal of modern social assistance. Since January 2018, social assistance has ranged from 60 to 180 euros, depending on the number of household members. Social assistance beneficiary households also receive EUR 5 for every child. Under category I (all family members are dependent and none is employed) families can apply if one or more family member is permanently or severely disabled and thus dependent. Applicants are required to have the health status of the family member in question reviewed by a medical commission. Under category II, families can have one family member who is able to work but he/she must be registered as unemployed at the employment office. All other family members must be dependent. In addition, the family must be parents of at least one child under the age of five or provide permanent care for an orphan under the age of 15. As shown in Figure 2, the number of social assistance beneficiaries was 24,352 in 2019.

7 Law No.2003/15 on the Social Assistance Scheme in Kosovo.

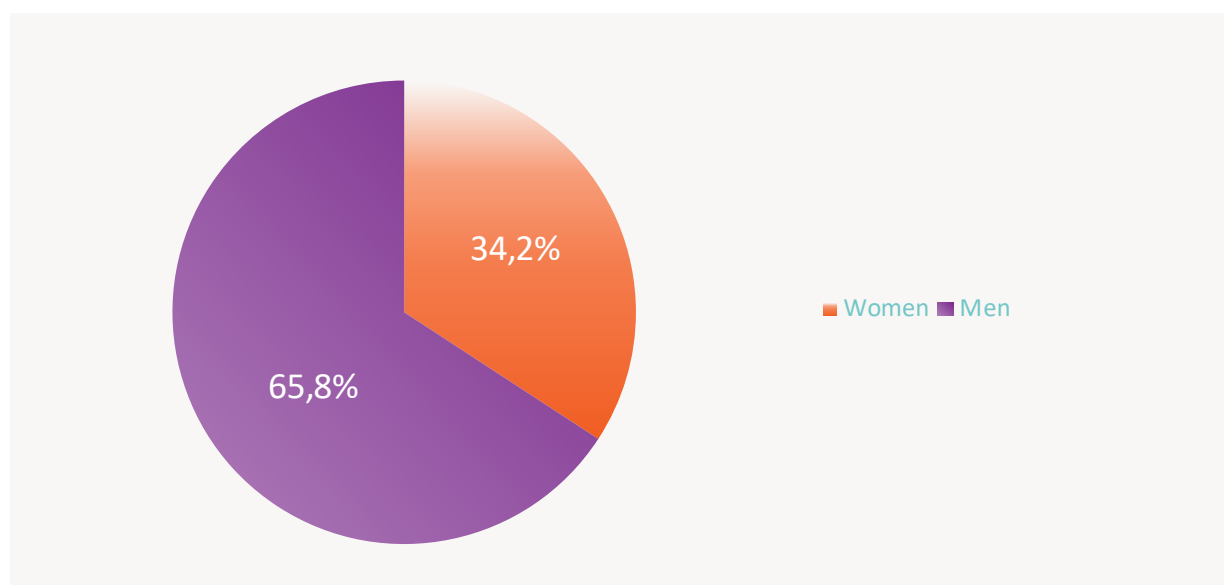
Figure 2. Number of households benefitting from social assistance



Source: Kosovo Agency of Statistics, Social Welfare Statistics 2014–2019.

The Kosovo Agency of Statistics annual Report on social welfare does not designate social assistance beneficiaries according to gender. Yet the data provided for this report by the Ministry of Labour and Social Welfare shows that only 34.2 per cent of social assistance beneficiaries were women compared to 65.8 per cent men (Figure 3). This means that men tend to represent the family in social assistance schemes. The World Bank reported a significantly lower share of women as beneficiaries of the Social Assistance Scheme at just 5 per cent in 2017. The data shows that social assistance is paid mainly to men, which implies that they are also the key decision maker when it comes to the use of this financial benefit.

Figure 3. Gender composition of social assistance beneficiaries



Source: Ministry of Labour and Social Welfare, 12 Decenber 2020.

After the budget revision, the Government decided to offer double social assistance within the Economic Recovery Programme for a period of three months (October, November and December) in 2020. The total allocated budget was EUR 7.5 million. Table 7, below, outlines the social assistance beneficiaries and corresponding budget and estimates for the 3

months in 2020. Based on the information that 34.2 per cent of social assistance beneficiaries were women, it was estimated that of the EUR 15.6 million in additional social assistance women would have received EUR 5.4 million into their bank accounts over the three-month period.

Tabela 7. Number of beneficiaries of social assistance

TM4	Number of beneficiaries	Budget	Average per household	Estimated budget paid to women as direct beneficiaries
September 2020	24,496 households With 98,990 household members	EUR*2.6 million	EUR 106	
October 2020 estimate	24,496 households	EUR 5.2 million	EUR 212	EUR 1.8 million
November 2020 estimate	24,496 households	EUR 5.2 million	EUR 212	EUR 1.8 million
December 2020 estimate	24,496 households	EUR 5.2 million	EUR 212	EUR 1.8 million

Source: Kosovo Agency of Statistics, Social Welfare Statistics Q3 of 2020.

Please Note: * designates that this amount was estimated by dividing the total expenditure for 3 months by 3 months (EUR 7.7 million over 3 months).

A recent World Bank assessment conducted in 2020 reported that while the targeting accuracy of the Social Assistance Scheme was good the coverage of the poor by the scheme was low with only around one-third of the bottom quintile receiving Social Assistance Scheme benefits. The limited size and coverage of the Social Assistance Scheme means that its impact in terms of a reduction in the poverty headcount has been only modest. While the double payment for existing beneficiaries was welcome, an expansion of the coverage would have had a greater impact in terms of welfare; this is particularly true in light of the consequences of the pandemic crisis. From the gender perspective, it is of great importance to revisit the existing law in order to introduce specific criteria on who can be the recipient of social assistance. A criterion could be to define the main caregiver member for the household. Evidence exists that women utilise finances in a more rational and productive manner, such as on education and health.

Active Labour Market Measures

As explained in the introductory section, the Kosovo is characterised by a high inactivity rate, low employment and a corresponding high unemployment rate. The Employment Agency is an independent agency within the Ministry of Labour and Social Welfare. The Agency supports the unemployed in finding jobs and enhancing their skills. In the original budget for 2020 the total budget allocated for Active Labour Market Measures was EUR 6.1 million, which in the revised version was reduced by 25 per cent⁸ or around EUR 1.5 million (Table 8).

Given that women have the highest level of unemployment, the reduced budget for Active Labour Market Measures will have a disproportionately negative influence on the employability of women. In 2019, 46 per cent of unemployed registered at employment offices and 45 per cent of beneficiaries of Active Labour Market Measures were women. Using data from 2019, the average cost per beneficiary was EUR 1,431 (EUR 6.6 million

⁸ Information provided by a representative from the Employment Agency of the Kosovo on 12 December 2020.

/4,611 beneficiaries). The budget reduction means that there will be about 1,100 less beneficiaries in 2020. However, through consultations with a representative from the Employment Agency we learned that with Government decision to cut the budget

was recanted and subsequently reallocated to the Agency. Once again, this indicates that budget cuts and reallocations took place after the approval of the revised budget. A representative of the Ministry of Finance confirmed this assumption.

Tabela 8. Budget for employment services and vocational training

		Total excluding capital expenditure	Difference	Subsidies
Budget 2020	Employment services	9,446,783		
	Vocational training	967,514		
	Total	10,414,296		
Revised 2020	Employment services	7,257,809	(2,188,974)	(1,949,220)
	Vocational training	816,955	(150,558)	(49,980)
	Total	8,074,764	(2,339,532)	(1,999,200)

3.2.3 Ministry of Agriculture, Forestry and Rural Development

Subsidies for agriculture

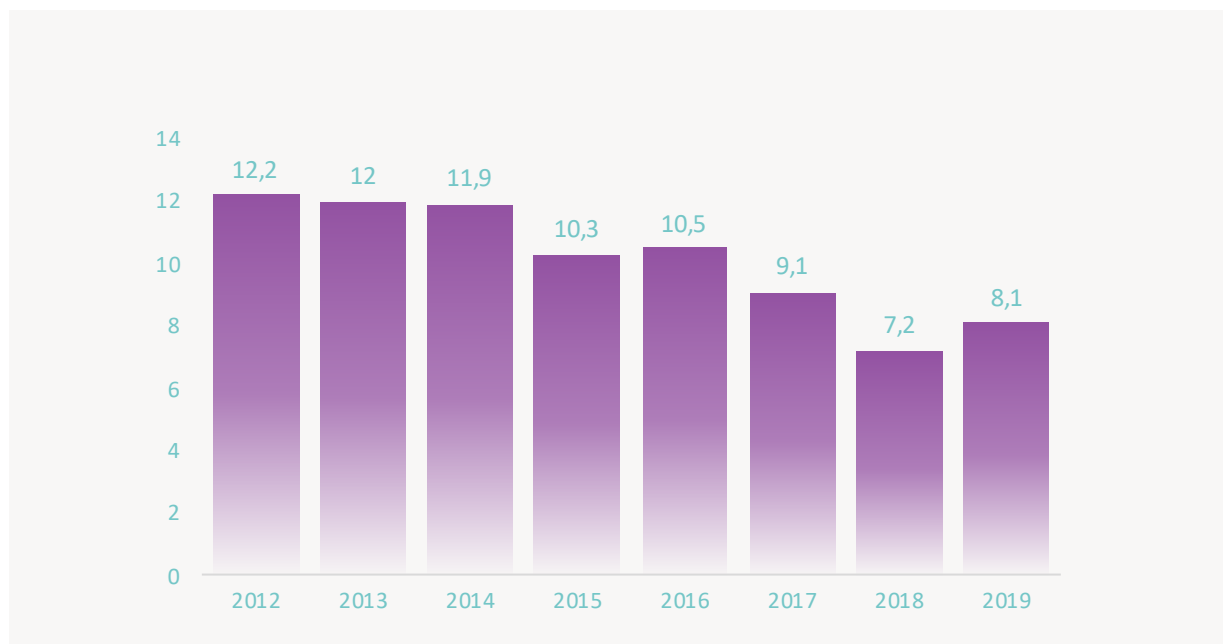
Within the EUR 87 million allocated from the Economic Recovery Programme, the Government allocated EUR 12 million for agriculture by doubling subsidies to agriculture. In 2019, agriculture and forestry in Kosovo accounted for 8.1 per cent of GDP (Figure 4) but only employed 19,200 individuals (Figure 5). By gender, the agriculture sector contributes more to the employment of men than it does for women as it employs only 2,400 women compared to 16,800 men. However, this data should be considered with caution because of the likelihood that it is underestimated because of the inability to capture unpaid family work and informal work within agriculture. As evidence of the prevalence of underestimation, we can draw a comparison between the Agriculture Census conducted in 2013/14 and the Labour Force Survey for 2014. The survey records that agriculture employed only 8,600 employed individuals (7,500 men and 1,100 women) in 2014 whereas the Agriculture

Census findings estimated that there were

362,700⁹ individuals engaged in the agriculture sector in the same year. The census also revealed that 58.2 per cent of individuals working in agriculture were women, which points to the invisible role of women in the sector. Given that most of these women are not formally employed, they receive less income now but also lose the opportunity to collect pension insurance that would otherwise contribute to their well-being in their old age.

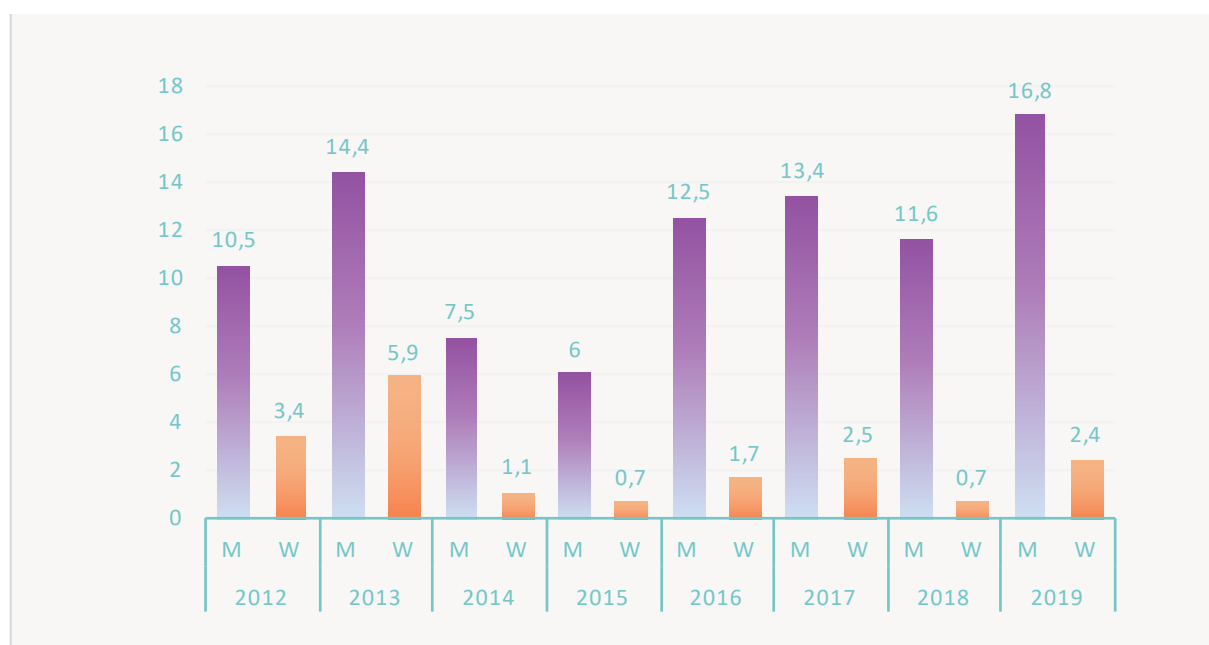
⁹ ASK 2015, Agricultural Registration 2014, Final results. Available from <http://ask.rks-gov.net/media/1374/rezultatet-perfundimtare.pdf>.

Figure 4. Contribution of Agriculture to GDP



Source: Kosovo Agency of Statistics, National Accounts.

Figure 5: Employment in the agriculture sector according to gender (in %)

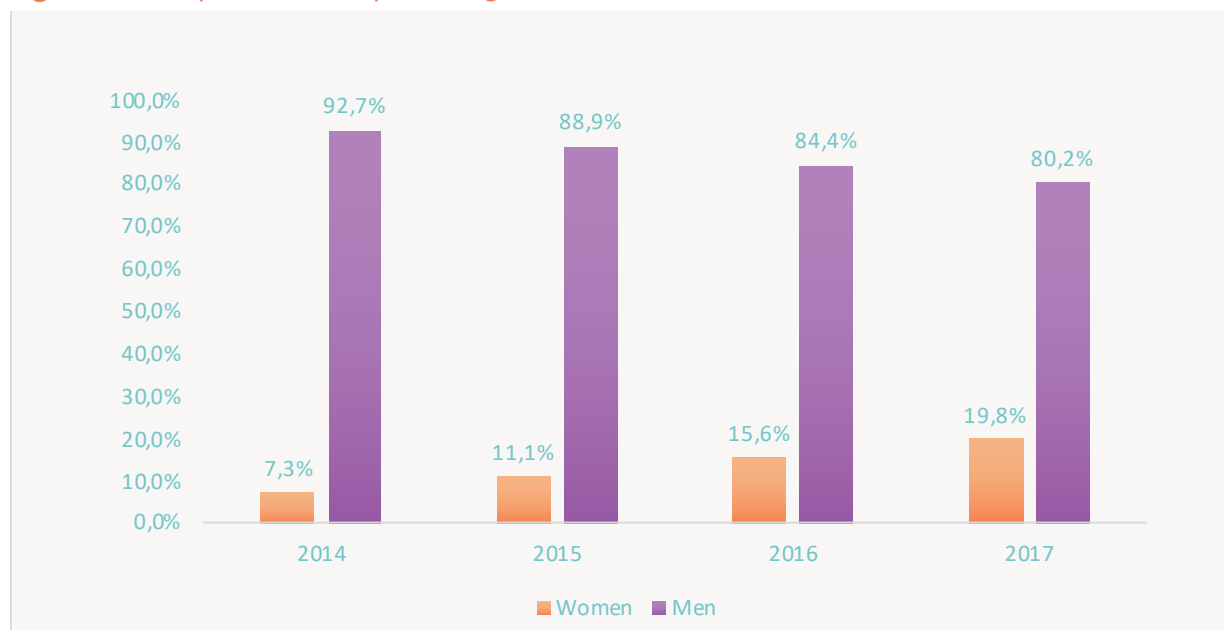


Source: Kosovo Agency of Statistics and the Labour Force Survey 2012–2020.

Women are also under-represented as owners of agricultural enterprises. Yet the data outlined in Figure 6, below, shows that the share of agricultural enterprises owned by women has increased over

time. Women only owned 7.3 per cent of enterprises in the agriculture sector in 2014, but this had increased to 19.8 per cent in 2017.

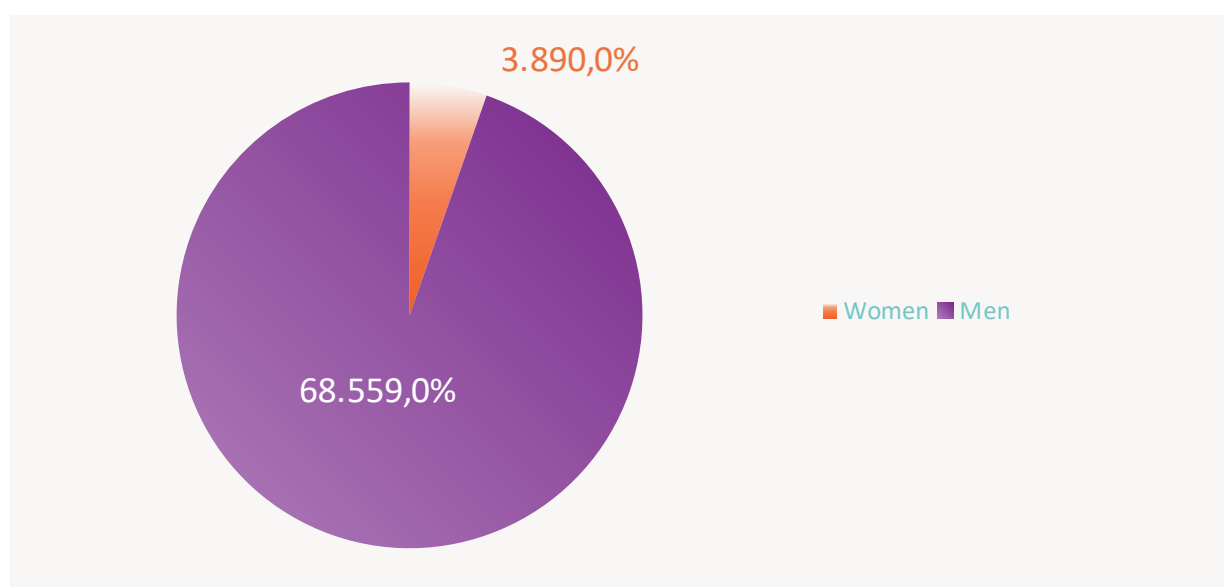
Figure 6. Enterprise ownership in the agriculture sector



Source: Kosovo Agency of Statistics, Women and Men in Kosovo, 2016–2017.

In order to gain access to subsidies, farmers need to obtain a Farm Identification Number from the municipality. The data provided by the Ministry of Agriculture, Forestry and Rural Development for 2020 shows that out of 72,449 Farm Identification numbers women only held 5 per cent (the absolute number is shown below in Figure 7).

Figure 7. Number of active Farm Identification Number holders according to gender



The low share of formalised women farmers is in accordance with the small share of subsidies paid to women (Table 9). The Ministry of Agriculture, Forestry and Rural Development provides subsidies and grants for agriculture yet because women lack access to land (only 4.9% of farm owners were women) most of the subsidies and grants from the Ministry were awarded to men. According to data provided by a representative of the Ministry of Agriculture, Forestry and Rural Development, of the 43,522 beneficiaries of subsidies provided by the Ministry only 4 per cent were awarded to women or just 4 per cent of the total subsidies in 2019 (Table 9). In order

to redress the gender imbalance, the Ministry uses an affirmative measure for grants whereby women applicants receive two additional points; however, no such provision exists for subsidies. The decision of the Government to double subsidies as part of the Recovery Economic Programme with the same criteria means that the gender perspective has not been taken into consideration and therefore the main direct beneficiaries will be men. To date, there has been no proper analysis of the low participation rate of women in subsidies despite the fact that they constitute a significant share of support within agriculture.

Tabela 9. Subsidy beneficiaries according to gender in 2019

	Women	Men	Total	Share of women
Number of beneficiaries	1,573	41,949	43,522	4%
Total subsidies	1,192,939	26,961,450	28,154,389	4%

3.2.4 Ministry of Economy and Environment

In order to support impacted businesses, EUR 60 million was allocated within the Economic Recovery Programme to support businesses through wage subsidies paid directly to the businesses. A total of 37,769 companies with 206,582 registered employees will benefit from the EUR 60 million allocation

within the Economic Recovery Programme (Table 10). The financial support is paid to enterprises based on their number of employees at a rate of EUR 290 per employee.

Tabela 10. Allocation of the budget for businesses

Number of employees	Number of businesses	Total budget by size class (in million euros)	Share of businesses owned by women*
1-10 employees	33,600	27.3	11.6%
11-50 employees	2,701	16.0	4.7%
51 and more employees	378	16.7	2.9%
Total	36,679	60.0	

* Kosovo Agency of Statistics, Women and Men in Kosovo, 2016–2017.

Assuming that women owned businesses within each class have the same number of employees it is estimates that only 4 out of the EUR 60 million will

benefit women owned businesses (Figure 8). This can be attributed to the small number of women owned enterprises in the Kosovo.

Figure 8. Estimated budget for businesses according to gender (in million euros)



3.3.4 Good practice supporting women in Kosovo

The Government Kosovo has designed two specific measures to support women directly within the Economic Recovery Programme. The first one is implemented through the Agency for Gender Equality with a planned budget of EUR 2 million of which EUR 1 million was allocated to the Agency and the remainder disbursed to beneficiaries. The concept document prepared by the Agency for Gender Equality for the EUR 2 million indicates that EUR 1.2 million will be used to support preschool kindergartens and the remaining 0.8 million to support small women owned businesses and those organised as cooperatives as well as NGOs that offer community based services.

Based on its analysis and acknowledging that the sector is important to women employment and also because of its role in supporting working mothers, the Agency decided to use EUR 1.2 million to support kindergartens. Eligible items to be supported included the following: rent for the coming months,

wages for employees, coverage of the costs of heating, the purchase of teaching material, the supply of library books, toys and sanitary and hygiene materials, improvement or extension of the service infrastructure (kitchen, bathroom, painting of walls, etc.), food packages, improvement of technology (setting up a camera system) and the subsidy for children from vulnerable families (such as single parents and social assistance households). At the end of November, 115 beneficiary kindergartens had signed the contract with the Agency for Gender Equality for support that included a variety of aspects necessary to the kindergartens. The Kindergartens were supported because of the negative impact that COVID-19 has had on them and also because they represent an important actor in terms of supporting the employed of women, those in education and training and those that are searching for employment.

A total of EUR 470,000 was allocated to the Ministry of Trade and Industry in order to support women owned businesses. This measure was implemented by the Kosovo Investment and Enterprise Support Agency, which operates within the Ministry of Trade and Industry. In early December, 32 subsidies were disbursed to women owned businesses.¹⁰

It is also important to note that a specific window of support is dedicated to women owned businesses within the Law for Economic Recover that was passed by the Assembly on 4 December within the budget allocated for the Credit Guarantee Fund. The credit guarantee is up to 80 per cent of the collateral and is intended to act as an important means of support for women owned businesses, which face difficulties when attempting to access finance because of a lack of ownership. The Government just recently launched the EUR 20 million for the Fund, which is expected to provide great support for businesses.

Expected impact of the COVID-19 response measures

To summarise, the design of the supportive measures and budget revisions in the Kosovo did not incorporate the gender lens. Although the Government implemented several measures to support households and businesses most of the support was utilised by men. Given that only 20 per cent of the employed are women, the large share of the wage subsidies provided within the Fiscal Emergency Package benefited men. Given that the agriculture subsidy measure used the same eligibility criteria, not more than 4 per cent of women farmers will receive this subsidy. Similarly, the doubling of the social assistance for existing beneficiaries for a period of three months will only end up in the bank accounts of one-third of the women. Budget reductions in the Ministry of Education, Science and Technology will have a negative impact on the quality of education, which according to the PISA results is already poor. Moreover, the reduction of the budget for the education of children with special needs is likely to increase the burden and stress on the mothers of these children. While sports activities are of crucial importance for child development, the reduction in investment in sports facilities in schools will maintain

the low level of participation among girls in sports activities.

It should be noted that the Government of Kosovo has for the first time allocated a specific budget to support women, which is implemented through the Agency for Gender Equality and the Kosovo Investment and Enterprise Support Agency. Yet it is necessary to integrate the gender perspective into all sectors in order to ensure that women and men benefit equally from public finances and that their needs are adequately addressed. These are measures of good practice specifically tailored to redress the existing gender imbalances in the country.

¹⁰ <https://kiesa.rks-gov.net/page.aspx?id=2,5,479>.

PART 4 CONCLUSIONS AND POLICY RECOMMENDATIONS

The background features a complex abstract design. It consists of several overlapping circular and organic shapes. The color palette is dominated by various shades of purple, from deep magenta to light lavender. A prominent teal shape is on the left side, containing a circular pattern of small dots. Bright orange shapes are visible at the top left and bottom left corners. The overall composition is layered and dynamic.

PART 4 CONCLUSIONS AND POLICY RECOMMENDATIONS

1. Similar to other countries, the Kosovo has suffered the negative effects of the COVID-19 crisis. It was predicted that the economy would decline by between four and five per cent in 2020. Sectors such as construction and gastronomy have been the most hit. There is no complete analysis of job losses but the existing evidence shows that jobs in the private sector were lost during the 3-month total lockdown. Women experienced a reduction in their number of working hours more so than men as it was usually the women that stayed at home in response to the Government's call to employers to release one of the parents. However, there is no evidence on the share of those women that received payment from their employer.

2. Kosovo responded quite quickly in developing an Emergency Fiscal Package that included measures to support businesses through wage subsidies, employees who lost their job, advance payments for social assistance recipients, support to households with severe living conditions (in addition to social assistance recipients) and salary bonuses for frontline workers as well as other supporting measures. Yet some of the measures have yet to be implemented since its approval in March 2020. In response to the COVID-19 crisis, the Government of Kosovo developed the Economic Recovery Programme that was included in the revised budget for 2020. In order to finance the Economic Recovery Programme, cuts were made to nearly all ministries and other budgetary institutions during the revision of the budget.

3. Based on discussions with representatives of the Ministry of Finance and the Ministry of Infrastructure, no methodology was in place to inform the process of budget cuts and reallocations. The representative of the Ministry of Finance stated explicitly that the gender perspective and gender-disaggregated data were not utilised in the revision process. Although the Kosovo Law on Gender Equality obliges implementation of gender responsive budgeting this is only implemented in a fragmented manner¹¹ and has yet to be integrated into the budgetary preparation processes, implementation and monitoring.

4. The analysis of the selected sectors showed that the designed measures would largely benefit men. This is attributable to the low share of women owned businesses, the low share of formalised women farmers, the low share of women as recipients of social assistance and the failure to redesign the response measures in order to redress the gender imbalances.

5. Kosovo needs to revise the existing legislation and in close consultation with the Agency for Gender Equality develop a gender responsive budgeting normative act in order to allow for the full incorporation of gender responsive budgeting into all existing legal frameworks. Furthermore, the Government of Kosovo should seek ways to incorporate gender responsive budgeting into public finance management in order to implement gender responsive budgeting effectively.

¹¹ The Government of Kosovo, for example, allocated around EUR 1.1 million for the pensions of survivors of sexual violence during the war and it has continued to support shelter houses (the support has doubled since 2015) and the Ministry of Culture, Youth and Sports supports women in sports and in the arts.

6. The institutions of Kosovo should develop their capacities for implementing the legal provision for performing gender responsive budgeting. If the system were in place then the needs of both women and men would be taken into account even during extraordinary situations like the COVID-19 pandemic.

7. It would be beneficial to develop a methodology/guideline/checklist for government on key aspects to consider when performing budget cuts and reallocations and for use by all budgetary institutions.

8. The Ministry of Agriculture, Forestry and Rural Development should revisit the eligibility criteria for subsidies and, as the Law on Gender Equality allows, introduce affirmative measures to redress the gender imbalances.

9. The Ministry of Labour and Social Welfare needs to review its legal provisions and to assess the eligibility criteria related to the person to be designated as the recipient of social assistance for the family. A practice from Albania wherein the primary caregiver is defined as the designated recipient of social assistance is an example of good practise.

10. It is important to ensure that no groups are left unsupported. Perhaps a profiling of the most vulnerable groups should be prepared and made a priority for support. Single mothers, for example, receive no support though any of the current measures.

11. Support for businesses should not be universal. Women owned businesses face different challenges, such as a lack of collateral, and therefore it would be advisable to design measures to redress such barriers to business development. One option would be set a gender quota.

12. Although there was no data in place, due to the lack of childcare facilities and elderly care homes in Kosovo, anecdotal evidence suggests that women are engaged in the care economy looking after children and the elderly in Kosovo. Therefore, in future interventions, individuals employed in this sector should be covered by the economic recovery measures.

13. Women represent an important part of the agriculture workforce. However, they remain unseen as very few are formalised farmers and therefore they do not benefit from government subsidies. This has been reported in the Kosovo Programme for Gender Equality 2020–2024 and other documents but no initiatives have been taken toward the formalisation of women in the agriculture sector so far. Therefore, best practices should be identified and incentives introduced in order to formalise the position of women in the sector.

14. The lack of gender-disaggregated data remains a pressing challenge for the integration of the gender perspective and implementation of evaluation and gender impact assessments. It is necessary to develop a list of necessary data to be made available for each area and to assess its availability in the responsible institutions. The expected outcome would be that some institutions that already have gender-disaggregated data and report such data in their regular reports whereas other institutions would need to be advised on how to collect gender-disaggregated data. The Kosovo Agency of Statistics report on Social Welfare, for example, does not report on the gender composition of social assistance recipients but the Ministry of Labour and Social Welfare does collect this type of data. The same applies to the Ministry of Agriculture, Forestry and Rural Development, which does not report data on the gender composition of the grant and the subsidy.

15. Supporting the Agency for Gender Equality should be recognised as a good practice. The Agency has information on the groups in need and is capable of designing measures that would improve the lives of women and support women businesses. Yet this should not remove the need to incorporate gender into public policies across all public institutions, which is an obligation that derives from the Law on Gender Equality.

16. After implementation of all measures, it would be advisable to perform an impact assessment according to gender and for each measure.

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ANNEX 1

The image features a vibrant, abstract background composed of overlapping circles and organic shapes in shades of purple, teal, and orange. A prominent feature is a large, light teal shape on the left side, which contains a dense, circular cluster of small, light-colored dots. The overall aesthetic is modern and artistic.

ANNEX 1

Tabela A1. Budgetary cuts, central budget, all budgetary organisations

Please Note: white designates the initial 2020 budget and violet designates the revised 2020 budget.

Code	Institution	Total ceilings 2020	Change in EUR	Change in %
329	Kosovo Property Comparison and Verification Agency	2,914,258		
329	Kosovo Property Comparison and Verification Agency	2,413,248	-501,010	-17%
241	Free Legal Aid Agency	422,699		
241	Free Legal Aid Agency	379,588	-43,111	-10%
245	Kosovo Intelligence Agency	8,835,039		
245	Kosovo Intelligence Agency	8,523,311	-311,728	-4%
239	Kosovo Privatisation Agency	8,119,918		
239	Kosovo Privatisation Agency	7,159,680	-960,238	-12%
236	Anti-Corruption Agency	572,009		
236	Anti-Corruption Agency	548,311	-23,698	-4%
253	Agency for the Management of Memorial Complexes	5,821,956		
253	Agency for the Management of Memorial Complexes	3,272,329	-2,549,627	-44%
254	Air Navigation Services Agency	8,092,593		
254	Air Navigation Services Agency	7,248,889	-843,704	-10%
251	Information and Privacy Agency	386,100		
251	Information and Privacy Agency	353,292	-32,808	-8%
322	Justice Academy	964,324		
322	Justice Academy	727,895	-236,429	-25%
231	Kosovo Academy of Sciences and Arts	1,262,916		
231	Kosovo Academy of Sciences and Arts	1,160,941	-101,975	-8%
317	Civil Aviation Authority	979,114		
317	Civil Aviation Authority	923,706	-55,408	-6%
235	Electronic and Postal Communications Regulatory Authority	1,649,795		
235	Electronic and Postal Communications Regulatory Authority	865,385	-784,410	-48%
244	Kosovo Competition Authority	346,801		
244	Kosovo Competition Authority	340,053	-6,748	-2%

314	Railway Regulatory Authority	412,296		
314	Railway Regulatory Authority	375,169	-37,127	-9%
313	Water Services Regulatory Authority	382,363		
313	Water Services Regulatory Authority	360,402	-21,961	-6%
224	Health Insurance Fund	8,606,203		
224	Health Insurance Fund	9,379,693	773,490	9%
243	Constitutional Court of Kosovo	1,835,354		
243	Constitutional Court of Kosovo	1,768,622	-66,732	-4%
321	Ombudsperson Institution	1,373,815		
321	Ombudsperson Institution	1,237,937	-135,878	-10%
328	Kosovo Judicial Council	29,821,540		
328	Kosovo Judicial Council	28,375,450	-1,446,090	-5%
246	Kosovo Council for Cultural Heritage	215,405		
246	Kosovo Council for Cultural Heritage	204,260	-11,145	-5%
249	Independent Oversight Board for the Kosovo Civil Service	384,151		
249	Independent Oversight Board for the Kosovo Civil Service	362,561	-21,590	-6%
250	Kosovo Prosecutorial Kosovo	15,021,836		
250	Kosovo Prosecutorial Kosovo	13,727,289	-1,294,547	-9%
319	Independent Media Commission	951,796		
319	Independent Media Commission	842,323	-109,473	-12%
320	Central Election Commission	6,176,482		
320	Central Election Commission	6,556,482	380,000	6%
230	Public Procurement Regulatory Commission	841,062		
230	Public Procurement Regulatory Commission	771,446	-69,616	-8%
318	Independent Commission of Mines and Minerals	1,429,659		
318	Independent Commission of Mines and Minerals	1,257,783	-171,876	-12%
101	Assembly of Kosovo	11,155,484		
101	Assembly of Kosovo	10,019,536	-1,135,948	-10%
212	Ministry of Local Government Administration	4,630,313		
212	Ministry of Local Government Administration	4,927,123	296,810	6%
208	Ministry of Education, Science, Technology and Innovation	76,540,015		
208	Ministry of Education, Science, Technology and Innovation	63,016,678	-13,523,337	-18%
203	Ministry of Agriculture, Forestry and Rural Development	62,770,521		
203	Ministry of Agriculture, Forestry and Rural Development	60,347,857	-2,422,664	-4%

215	Ministry of Justice	29,853,812		
215	Ministry of Justice	30,106,575	252,763	1%
213	Ministry of Economy and Environment	138,375,401		
204	Ministry of Economy, Employment, Trade and Industry, Entrepreneurship and Strategic Investments	88,215,312		
201	Ministry of Finance	383,508,527		
201	Ministry of Finance and Transfers	543,731,540	160,223,013	
205	Ministry of Infrastructure	167,834,711		
205	Ministry of Infrastructure and Environment	243,697,609	75,862,898	45%
211	Ministry of Communities and Returnees	7,013,262		
211	Ministry of Communities and Returnees	4,762,115	-2,251,147	-32%
207	Ministry of Culture, Youth and Sports	44,176,109		
207	Ministry of Culture, Youth and Sports	38,546,391	-5,629,718	-13%
217	Ministry of Defence	69,275,842		
217	Ministry of Defence	63,602,303	-5,673,539	-8%
209	Ministry of Labour and Social Welfare	481,075,413		
214	Ministry of Internal Affairs	148,722,254		
214	Ministry of Internal Affairs and Public Administration	160,181,850	11,459,596	8%
216	Ministry of Foreign Affairs and Diaspora	33,544,281		
216	Ministry of Foreign Affairs and Diaspora	28,928,646	-4,615,635	-14%
206	Ministry of Health	52,855,125		
206	Ministry of Health	82,676,504	29,821,379	56%
204	Ministry of Trade and Industry	9,985,236		
221	Ministry of Regional Development	5,759,203		
221	Ministry of Regional Development	4,521,825	-1,237,378	-21%
218	Ministry of European Integration	2,661,774		
240	Procurement Review Body	395,709		
240	Procurement Review Body	363,538	-32,171	-8%
247	Election Complaints and Appeals Panel	213,116		
247	Election Complaints and Appeals Panel	194,239	-18,877	-9%
248	Radio Television of Kosovo	8,960,000		
248	Radio Television of Kosovo	11,200,000	2,240,000	25%
220	University Hospital and Clinical Service of Kosovo	118,714,402		
220	University Hospital and Clinical Service of Kosovo	117,086,367	-1,628,035	-1%
232	Contingency expenses	8,800,000		

232	Contingency expenses	6,794,591	-2,005,409	-23%
242	University of Pristina	34,927,725		
242	University of Pristina	31,041,402	-3,886,323	-11%
104	Office of the Prime Minister	21,219,716		
104	Office of the Prime Minister	15,016,506	-6,203,210	-29%
102	Office of the President	4,072,866		
102	Office of the President	3,380,122	-692,744	-17%
302	National Audit Office	3,114,149		
302	National Audit Office	2,847,729	-266,420	-9%
238	Energy Regulatory Office	818,987		
238	Energy Regulatory Office	756,363	-62,624	-8%

Tabela A2. Students enrolling for the first time in the first year

Academic year	Public Universities	Women	Men	Total	Share women
2018/2019	University of Pristina	3,542	2,685	6,227	57%
2018/2019	University of Prizren	946	757	1,703	56%
2018/2019	University of Peja	472	599	1,071	44%
2018/2019	University of Gjakova	379	80	459	83%
2018/2019	University of Gjilan	487	323	810	60%
2018/2019	University of Mitrovica	476	405	881	54%
2018/2019	University of Applied Science of Ferizaj	212	198	410	52%
2018/2019	Faculty of Islamic Science	25	80	105	24%
2018/2019	Kosovo Academy for Public Security	4	48	52	8%
2018/2019	Total	6,543	5,175	11,718	56%
2019/2020	University of Pristina	3,447	2,190	5,637	61%
2019/2020	University of Gjakova	288	75	363	79%
2019/2020	University of Gjilan	419	294	713	59%
2019/2020	University of Applied Sciences of Ferizaj	263	278	541	49%
2019/2020	Faculty of Islamic Science	39	52	91	43%
2019/2020	Kosovo Academy for Public Security	3	39	42	7%
2019/2020	Total	4,459	2,928	7,387	60%

Source: Kosovo Agency of Statistics, 5 December 2020.

