



Terms of Reference (ToR)

Skills needs assessment of the furniture sector in Kosovo

Swisscontact Kosovo for the project:

Fostering Employment and Growth Opportunities (FEGO)

Introduction

The Fostering Employment and Growth Opportunities (FEGO) project in Kosovo is financed by Swedish International Development Cooperation Agency (SIDA) and implemented by Swisscontact in Kosovo. The project aims to generate employment and income for women, men, and youth living in poverty and socio-economic marginalization. This is intended to be achieved through sustainable and scalable growth of micro/small (family) businesses and start-ups, in the apparel, furniture, and rural tourism sectors.

FEGO applies a Market Systems Development (MSD) approach, specifically focusing on market facilitation through new, innovative business models to ensure large-scale sustainable changes in respective sectors. The project will reach its goal through two main objectives: 1) Fostering the growth and development of micro/small (family) businesses in the *apparel* and *furniture* sectors and facilitating their entrepreneurship growth and 2) supporting local communities operating with rural tourism activities, and their micro and small enterprises towards the development of *rural tourism*. Both outcomes will contribute to more sustainable and inclusive market systems, improving income, and productivity and enhancing job creation in the private sector, therefore contributing to addressing high unemployment and poverty rates in the country, especially amongst youth and women. Swisscontact, through the FEGO project, **promotes inclusive social, economic, and ecological development** to make an effective contribution towards sustainable and widespread prosperity, offering the chance to economically and socially disadvantaged people to improve their lives on their own initiative.

Background

Wood processing is among the most successful manufacturing industries in terms of import substitution and is a sector that has experienced continuous growth in recent years in Kosovo. With the rise in household spending, specifically for furniture¹, rise in living standards, new residential buildings, and most importantly growth of exports, as is the continuous demand for furniture. Thus, the Kosovo furniture

¹ Agency of Statistics of Kosovo (2021). Kosovo in Figures 2020

sector has a high potential for growth, employment generation, and growth of exports. However, the employees' skills gap is one of the main challenges that the furniture sector currently faces as companies require ready-to-go workers, and the VET schools do not prepare them at that level.

Considering wood processing (with an emphasis on furniture) as one of the main sectors with potential in Kosovo, there is a considerable gap in skills needed and provided, although even those that are provided are limited in coverage and modules offered. The recent growth in the furniture sector has created the need for additional skills which need to be fulfilled to meet the sector demand and maintain this success and further grow the sector. This is claimed by most companies in the sector, as well as by the skills providers, public and private that need to accelerate the shift towards improving the programs offered for skills and workforce development

Consequently, skills and workforce development providers need information on this topic to draft or modify their curricula tailored to the market's needs. Additionally, companies need employees with skill sets that can meet the demands of local and international markets. Currently, there are a few training providers that offer short-term training for the needs of the industry. Furthermore, the level of utilization of such training by current and future industry employees is also very low. Lastly, it is essential that the USAF and the FEGO project gather insights on the current and future skills needs, as they can help the project to develop interventions that are in line with the current and upcoming global trends, rendering the project sustainable even after it is finished.

Objectives and Scope

Through this consultancy assignment, USAF and the FEGO project seek to obtain information on the existing and upcoming trends in skills needs of the sector (with a focus on a short-term period) in order to help the local skills and workforce development providers (public or private) develop training programs - with a focus on basic short term training, tailored to the needs of the market, and also address the upcoming trends in order to increase the competitiveness in the furniture sector. Additionally, this consultancy assignment shall provide insights on the specific needs for each skill in terms of quantity for each region (answering the question of 'How many employees with a specific skill are needed annually and at which regions?'). Further, this study will also serve as a guiding plan of action which will ensure that the project considers the upcoming trends when designing, implementing, and monitoring its interventions.

The research should be done through the mixed method with primary and secondary, and both qualitative and quantitative data. In terms of secondary data, the research should be focused on identifying the regional global trends with regards to skills needs and training provision that determine the growth path of the sectors at hand in Kosovo. In terms of primary research, surveys with local companies need to be conducted using the simple random method, covering all regions of Kosovo, with at least 100 companies. In terms of quantitative research, the study should contain estimations of the required number of employees for each specific skill set in each region, during a medium-term period (5 years). In terms of qualitative research, the secondary (desk) research shall contain information on the current and upcoming global trends in both sectors (e.g., trending products/services, inputs, methods of production, experiences, etc.).

The consultancy-related work outlined in this ToR shall be conducted in close coordination with the FEGO project team and the University of Applied Sciences in Ferizaj.

It should be emphasized that this study is primarily a need for USAF so that they can create new or modify the current curricula to offer short-term trainings.

The key objectives of the assignment are:

- To identify current and upcoming trends in the furniture sector in terms of:
 - a. Products and services,
 - b. Inputs,
 - c. Methods of production, and
 - d. Other relevant topics (e.g., customer care, experience, etc.)
- Identify the skills needed to catch up with these trends.
- Identify the gender implications of these new trends in terms of employment; namely, whether the skills can be learned and exercised by both genders.
- Identify the current skills needs of the furniture sector in Kosovo for each region.
- Identify key opportunities in the furniture sector for the specific skills among the targeted group, which are in line with global and regional trends.
 - a. identify specific opportunities for formal employment, self-employment, and entrepreneurship based on the market demand.
- The consultant is expected to align the mapping and key identified demand-driven skills with the UASF plans and strategies.
- Document how skills' needs differ based on the type and size of the company, across regions, and during the medium term.

Activities

To achieve the objectives, the research company/consultant(s) is/are expected to conduct the following activities in close coordination with the FEGO team:

- Provide a detailed methodology for undertaking the research assignment;
- Conduct desk research on the current and upcoming global trends in furniture;
- Research and analyze skills needs to catch up with these trends;
- Conduct interviews with furniture companies and other relevant stakeholders (public and private skills providers);
- Prepare and submit the draft report to the FEGO team for their review;
- Revise the draft report as per the team's comments and;
- Submit the Final Report.

Throughout the process, the consultant is expected to closely coordinate with the University of Applied Sciences in Ferizaj.

Deliverables

The consultant/s is expected to deliver the following:

- A research report on the assessment of skills needs and short-term training provision with specific findings and recommendations on skills needs of the furniture sector in Kosovo for the current and medium-term perspective.

The report must be written in English.

Timeframe

The assignment period is planned from October 2022 to December 2022. All deliverables foreseen, must be completed by 15.12.2022

All costs including, travel expenses, meals, and other related costs, should be foreseen in the consultant/s' proposal.

The total working days for the consultant are reflected in the table below:

Tasks	Days
Methodology of the report	2
Desk research	5
Interviews with key value chain actors and stakeholders (public and private training providers)	10
Report writing	3
Total days	20

Consultant/s experience:

- Education in a relevant area that includes workforce including development, business administration, management, economics, and furniture.
- And A minimum of 10 years of proven experience in sectorial and needs assessment research, market studies, feasibility studies, development plans, and related fields;
- Expertise in the furniture sector and the skills needs identification and workforce development in Kosovo;
- Ability and proven successful track history to deliver a clear, structured, and structured evidence-based research analysis on skills needs. The technical offer should provide a sample of the previous work (i.e. research analysis, market study).
- Capability to deliver required outputs on schedule;
- Good interpersonal, social, communication, and computer skills;
- Fluency in English. Excellent written and verbal communication skills in English;

Contact and Submission of Offer

Interested candidates/companies shall submit a technical and financial offer based on the terms of reference by 24.10.2022 with the subject REF: “Skills Needs Assessment of the Furniture Sector in Kosovo” to fegoinfo@swisscontact.org.

Applicants must submit the following:

- Professional profile of the consultant/company (CVs of consultant or team of consultants);
- Technical Offer including (a methodology that shall be used, draft work plan, and suggested timetable);
- Sample of the previous work;
- Financial offer.