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# Tourism Sector Development Story







## ACKNOWLEDGMENTS

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The views and findings presented in this publication are based on inputs from the PPSE project team and have been reviewed by **The Gallus Edge**. They do not necessarily reflect the official views of the **Swiss Agency for Development and Cooperation (SDC)** or any other associated institution.

# Preface

Funded by the Swiss Agency for Development and Cooperation (SDC) and implemented by Swiss-contact, the Promoting Private Sector Employment Project (PPSE) has been working to support the emergence and growth of the tourism sector in Kosovo from 2013 to 2025. Its work has been entirely driven by the principles of collective action and partnership engagement informed and underpinned by the market systems development approach.<sup>1</sup>

This case is consistent with these principles. It is not an impact assessment or definitive statement on the workings of the PPSE programme. This is a case reflecting on the emergence and rapid evolution of the tourism sector in Kosovo over the past decade. It is written primarily as a critical resource for the partners and collaborators of the PPSE programme to stimulate reflection, discussion and engagement through to the closure of the PPSE programme in late-2025.

It is a story of creation and creativity. A story of balancing promotion with careful protection of areas of outstanding natural beauty and a rich cultural history and heritage. A journey in the evolution from personal passions to sector wide professionalisation across tourism experiences and activities. A reflection on the shift from individual entrepreneurs and unique experiences toward collective action and a critical mass of interests and assets sufficient to attract and deliver to increasing numbers of ever more diverse and demanding international consumers.

Ultimately it offers an insight into the establishment, evolution and energy of an increasingly globally connected and locally integrated tourism sector in Kosovo. It is hoped that by looking back and reflecting on just how, and how far the sector has changed that key partners and stakeholders can continue to move forward, post-PPSE, with confidence as they meet new and emerging challenges and respond to these in the same spirit of collaboration and collective action which has been a hallmark of the success PPSE is proud to have contributed toward over the past decade.

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<sup>1</sup> <https://beamexchange.org/market-systems/video/>

# 1. Introduction

In established and mature sectors, it is common to assess patterns of observed under-performance which are then used to help decode a formula for driving future success. Twelve years ago, and at the start of PPSE, the Kosovan tourism sector could best be described as 'fledgling' mainly limited to offering some level of accommodation and eateries to domestic and returning diaspora visitors. The sector was at an extremely low level of investment, innovation and integration domestically and internationally.

For these reasons the framework used to guide PPSE's thinking on future sector development was based more on what the drivers for success could and arguably should be. In summary these were:

- **More:** more tourists, from more countries visiting more regularly and repeatedly.
- **Stay Longer:** making longer duration trips and over extended seasons within the year.
- **Go Further:** moving around the country, experiencing more and different in support of sustainability and inclusion goals.
- **Spend More:** spending more through being presented with a choice of differentiated quality options responsive to their interests and tastes.

In respect of these 'blueprint' factors of success Kosovo has made great strides in a relatively short time<sup>2</sup>.

**More international tourists are visiting and coming from more countries.** The number of international tourists visiting Kosovo **grew exponentially** from a recorded number of **~50,000 in 2013, ~300,000 in 2022, to 420,000 in 2024**. The majority are still coming from the region, particularly Albania, and from Kosovan diaspora living across the EU and beyond. Main visitor flows beyond these two groups are **evolving rapidly in response to a range of factors**, such as international promotion, integration of international tour operator networks, new transport arrangements and infrastructure, and the nature of tourism offers in Kosovo. The most emerging international visitor flows are those from German-speaking countries and recently, the rise of Middle Eastern tourists visiting Kosovo and Albania. In 2013, Prishtina International Airport recorded **1,628,678 passengers**, while by 2024, that number had reached **4,082,481**—making it one of the fastest-growing airports in Europe in recent years.

**Tourists are staying longer, and over extended seasons.** The latest statistics on occupancy rates show **two clear trends**. Firstly, that the average length of stay (in paid accommodation) **increased from 1 to 3 nights** Kosovo wide, and up to **four nights in Peja**<sup>3</sup>. Secondly, whilst the summer season of June to August remains dominant, **occupancy rates out of season has been growing too over time**. Particularly, an extended summer season starting earlier in May, and extending longer into September. Also, alongside investment and growth in more winter sports / pursuits **occupancy rates** in December and January have increased also from around **47-56%**. As importantly, such **trends are not simply unique to Pristina** but are consistent across other regions too.

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<sup>2</sup> Much of the data used here comes from detailed statistics captured in "The Kosovo Tourism Supply Side Survey 2023", published by PPSE in association with SDC and Swisscontact.

<sup>3</sup> Peja - Kosovo's Green Destination: <https://www.youtube.com/watch?v=ELTNDOUFnKA>

Statistics tracking the routes of tourists whilst visiting Kosovo are not available. However, the available statistics on occupancy rates and revenues from tourist facilities – **support the view that tourists are at least moving beyond Pristina, and increasingly beyond Peja.** We do know that **investment in tourism products and experiences is increasing in some regions.** PPSE invested in **more than 70 new tourism products;** and observed at least **100 additional** products being developed. These products are mainly ‘experience’ products, such as **zip lines, via ferrata, viewpoints, adventure parks, paragliding, kayaking routes and marked hiking trails.** The number of festivals and events in Kosovo has **grown to more than 30,** spanning music, theatre, film, and outdoor activities. This growth reflects a clear trend of strengthening and diversifying the tourism offer, while also helping to extend demand across different seasons and attract a broader range of visitor segments. We also know that more municipalities are starting to invest in the tourism sector. Municipalities where PPSE was present in Phase I and II – **Peja, Prishtina, Prizren, Gjilan, Gjakova, Deçan** - have increased their budget commitments and human resources engaged for tourism activities. In addition, new municipalities are presenting ideas for strategic planning and investment in **public-private tourism attractions, including Ferizaj, Lipjan, Istog, Kamenica, Mitrovice, and Podujeva.**

“In recent years, Kosovo has had a significant increase in the number of visitors. According to ASK, the number of employees has also increased, and this has especially been reflected due to the development of tourism in other sectors related to such tourism, such as: gastronomy, accommodation and the like, and now in 2024 we have recorded about 30,000 employees in the accommodation and food sector alone, and this value represents about 8% of the workforce in Kosovo. One of the most important achievements in this regard is also the legal infrastructure. Therefore, through the tourism strategy, which we approved last year, we aim to develop sustainable and competitive tourism, first and foremost in the region. This will be achieved by improving infrastructure, improving accommodation conditions, increasing the quality of tourist services and supporting businesses.”

**LUMTURIJE GECI**  
MINISTRY OF INDUSTRY, ENTREPRENEURSHIP AND TRADE

**Revenues from tourism are increasing significantly.** In 2023 tourism revenue reached **€425million, a 300% increase from the €139.6million figure recorded in 2017.** This increase is **explained, in large part by the diversification and professionalisation** of tourism offerings, including new adventure parks, cultural heritage trails, cross-border tracking experiences, and continuous promotion from the private and public sector, which extended visitor stays and generated **greater local economic benefits.**

**This expansion is creating new opportunities.** The number of **tour operators** has increased from a single entity in 2013 to now **more than 35 agencies** that are specialised in offering curated experiences for inbound international visitors. These inbound tour operators now provide guided tours, cultural heritage experiences, and adventure tourism packages.

**Driven by an increasingly diverse and demanding international customer base,** Kosovo has experienced not only growth in operators, agents, and workers across the tourism sector, but also significant specialisation, formalisation and professionalisation. For example, Kosovo now boasts over **150 certified guides and a growing network of trained hospitality professionals<sup>4</sup>** ensuring better visitor experiences and industry credibility. Additionally, over 15 staff members operating tourism attractions have been trained and certified as safety managers, while personnel from the Faculty of Mechanical Engineering have been trained to carry out safety inspections of tourism attractions in line with international best practices.

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4 [Valdete Çollaku, Certified Mountain Guide in Kosovo: https://www.youtube.com/watch?v=CLZ7YYH0p-4](https://www.youtube.com/watch?v=CLZ7YYH0p-4)

As demonstrated by the above 'headlines' the tourism sector in Kosovo is undergoing a significant and structural transformation in respect of the scope, scale and speed of change. More tourists are coming, more regularly, staying longer, going further and spending more – in line with the indicated 'blueprint for success'. Additionally, more people are working in the tourism sector. Employment in the tourism sector has grown steadily over the past decade, accompanied by **important progress in gender inclusion**. Once perceived as a predominantly male sector, today more than 30% of jobs are held by women. Their presence is particularly notable in guiding but also extends to positions traditionally considered non-typical for women—such as mountain guides<sup>5</sup>, waitstaff, restaurant managers, and guesthouse owners. This shift represents a significant step forward in advancing gender equality and inclusiveness within the sector.

As shown in the figure below much has been achieved but much more is required if tourism is to deliver on its full potential. In plotting a way forward it's important to remember where it started and how it has evolved to date. That is the value of this case study. To help sector stakeholders pause and reflect on the patterns and pathways of progress over the past decade and to use these to help guide, inform and enthuse continued collaboration and collective action to help drive the sector forward to even more inclusive, scalable and sustainable outcomes.

### Strategic Objectives

-  INCREASE VISITORS
-  STAY LONGER
-  GO FURTHER
-  SPEND MORE



## Evolution of the Tourism Sector

<sup>5</sup> How I became a Mountain Guide in Kosovo – Women with unconventional careers: <https://www.youtube.com/watch?v=wiC-Bcd8yI9E>

In support of these objectives the remainder of this case will dive more deeply into this change process and the contributory role PPSE has helped to play in this. It is structured as follows:

1

**Section 2: Sector change: structure, performance and inclusion**

Orienting the reader on issues of structure, performance and inclusion in the core markets of PPSE focus, and how changes in the wider ecosystem of supporting services and rules / norms are driving change and upgrading improvements.

2

**Section 3: Intervention focus: problems, responses and results**

Drilling down into three areas of focused intervention work by PPSE to look more closely at problems, responses and results. This case will consider two key areas of intervention focus: public sector action, and private sector assets, operators and associations.

3

**Section 4: Reflections from a facilitator of market system change**

Reflecting on successes and failures to help unpack key lessons across the 'science and art' spectrum of market facilitation from the perspective of the PPSE team and its partners.



**2**

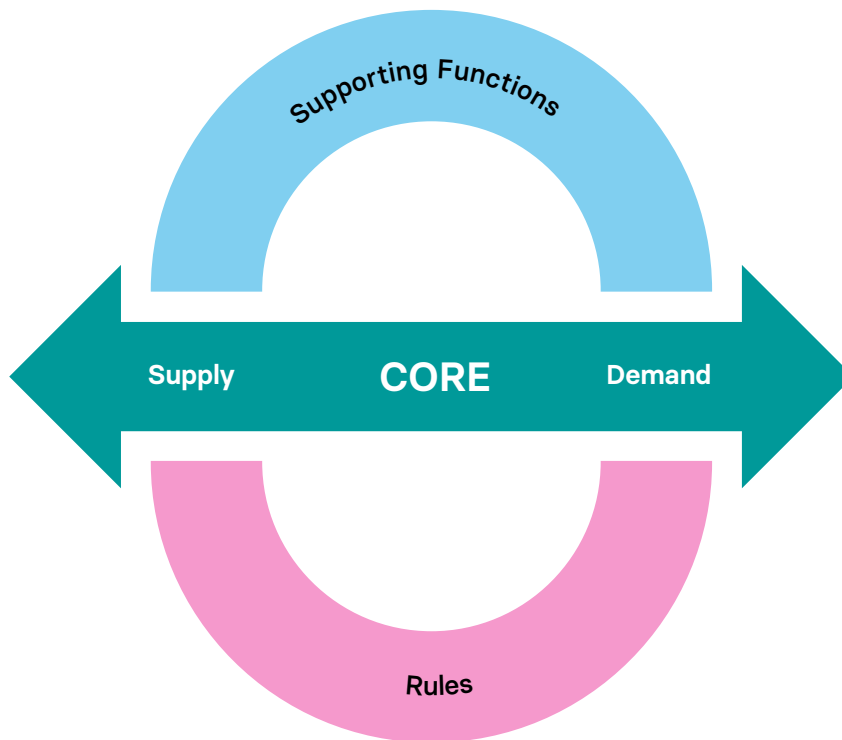
**Structure,  
Performance and  
Inclusion**

# 2

## Structure, performance and inclusion

This case is focused on the tourism sector generally and specifically on those areas of intervention focused on more actively by PPSE.

This section presents an overview of the structure, performance and inclusion dynamics of the tourism value chain which sees tourists move through a journey from 'anticipated expectation' to 'realised experience'. This is necessarily stylised and aggregated as highlights in the figure below.



As highlighted in the figure we can consider a market system in three interconnected respects:

- **Core:** this is the central set exchanges from promotion, marketing and booking, through to realised experiences on the ground in Kosovo. We will consider below the basic structure of organisation in the tourism sector in Kosovo and how this has evolved over time.
- **Supporting Functions:** these are typically 'value adding' functions / services which connect and drive the performance of core market functions. The quality of this 'ecosystem' determines the productivity and performance of the core market. We will demonstrate some key developments in these supporting functions and how they have been positively impacting core market performance over time.
- **Rules:** these refer to the formal and informal rules and norms which govern and regulate incentives and behaviours of all actors in the core market. These include policies, laws, regulations, standards set by Governments and membership organisations, as well as informal norms which are deeply embedded in local cultures and value systems.

Looking at each one of these categories in turn.

## 2.1 Core market

The structure of core market functions linking 'tourists to experiences' is shown in figure below.

Detailed statistics on the tourism sector in Kosovo is still very much a work in progress. Nonetheless, some data is available, and some trends are observable.

The number of international tourists is increasing rapidly. For example, increasing exponentially from **~50,000 in 2013 to ~420,000 in 2024**. Further, in 2023, the reported number of hotel nights spent by non-residents was 746,501 compared to only 83 883 in 2013.

Independent travel is an increasingly popular trend globally, intermediated by technology and social media platforms and offering the lure of more personalised experiences demanded by younger tourists. Anecdotally this is true also when considering tourism trends in Kosovo. For example, the num-

### In-bound Tour Operators

- Accommodation
- Food and Beverage
- Transport
- Tours and Travel
- Attractions and Activities



### Intermediated Travel

- Inbound tour operators
- Hotel reservation platforms



ber of registered accommodation units with the **Airbnb platform has grown from zero to now more than 1000** in the last decade, where above **50% of these units** are owned and managed by **women**.

Intermediated travel is also growing with **expansion from 1 to now more than 35 inbound tour operators**, increasingly offering more specialised and differentiated packages marketed to different nationalities and class of tourist.

As noted above, revenues across the tourism sector have grown sharply in recent years reaching a new high of **€425 million in 2023**. Activity based tourism is growing rapidly with more products, areas and experiences opening up across Kosovo. Cultural tourism is a new and growing niche too.

This growth is being fuelled by increased flows of private investment into the sector, which in turn is driving **significant rates of growth in sector employment** – for both men and women, and particularly for more younger and more highly skilled and specialised workers.

## Tourists

- Outbound travel agencies
- Tours and Travel
- Airlines, bus, car rentals

### International:

- Diaspora
- Business
- Leisure

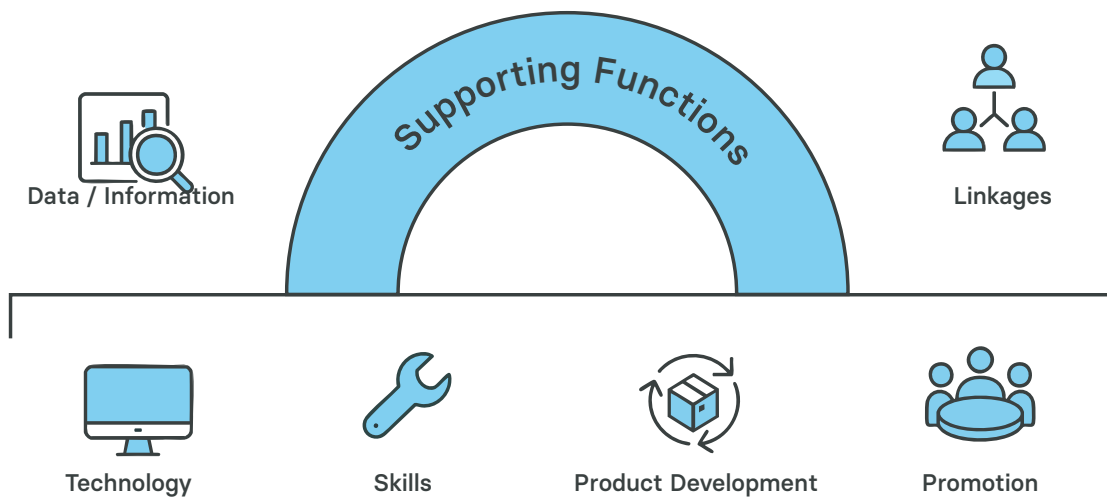
### Domestic:

- Excursionists (same-day)
- Tourists (overnight)



## 2.2 Supporting Functions

These are typically 'value adding' functions / services which connect and drive the performance of core market functions. For the purposes of this case, the typical types of supporting functions relevant to / driving change in Kosovan tourism are shown in the figure below.



### 2.2.1 Data / information

Sector wide tourism statistics were previously non-existent. This situation has hindered a range of informed policymaking, strategic and investment planning functions across both the public and private sectors. However, this has been improving and driving change. For example, the Kosovo Agency of Statistics (KAS) is now publishing relevant data on a monthly basis, and further data collection efforts have been initiated in partnership with KAS and the Border Police. Whilst continued improvements in statistical data capture and communication are needed, particularly information from online accommodation platforms, the situation is improving, and information is increasingly being used to inform for a range of 'sector and service level' decisions.

"In 2016, the Kosovo Agency of Statistics (KAS) through the Department of Economic Statistics, implemented the project for the registration of hotel capacities in Kosovo facilitated by the PPSE project. Within the framework of this project, the registration of accommodation units was carried out, as mentioned earlier, meaning that from somewhere around 100 or so accommodation units in Kosovo, there were around 500 or more accommodation units. Within the framework of the project, there was also the signing of a cooperation agreement between the Kosovo Agency of Statistics and the Kosovo Police for the receipt on a quarterly and then monthly basis of data on foreign visitors by the Kosovo Police through border points. The registration of accommodation units created continues to be updated from time to time with the addition of new businesses that are registered within this sector, and still serves as a key basis for the tourism survey in Kosovo."

**BEKIM BOJKU**  
KOSOVO AGENCY OF STATISTICS (KAS)



### 2.2.2 Linkages

As demonstrated in this case study there has been a significant increase in tour agencies, operators and supporting services across many parts of Kosovo. This pattern of growth is very much one based on **'linkages' – embedding, interconnecting, mutually reinforcing** – increasingly informed by and responsive to consumer needs and preferences. At an international level many of the now more than 35 'inbound' tour operators in Kosovo can **demonstrate higher levels of connectivity and integration** into counterpart agencies in destination countries.

Across Kosovo travel agencies are aggregating and integrating more with the growing number of tour operators as they are increasing competing to offer guided tours, cultural heritage experiences, and adventure tourism packages all **curated, differentiated and target marketed to international visitors**.

Previously getting tourists to, and within, Kosovo was limited in scale and scope of possibilities. Specifically, public transport options to rural and mountainous tourism destinations were limited, **and there were no structured transport services catering specifically to tourists**. This lack of accessibility restricted visitor mobility and negatively impacted the sector's growth. Pristina Airport operated with limited capacity and only a few international airline routes.

Tracking to today Infrastructure improvements, including better road connectivity and enhanced transport services, **have improved access to key tourism sites**. Adventure and rural tourism areas are now more accessible, attracting a higher volume of visitors.<sup>6</sup> Moreover, over the past decade, the number of airline routes operating through Prishtina International Airport has increased significantly. **In 2024 alone, more than 4.1 million passengers** utilized this air gateway, benefiting from direct flights to numerous European cities and beyond, thereby facilitating the flow of tourists.

Also, municipalities dominated with Serbian minority population, have increasingly become involved—particularly during the second and third phases of the project - through participation in strategic planning, product development, and promotion efforts.

Finally, at a very **local level 'linkages' have increasingly played a key part in the growth and improvement of the Kosovan tourism offer**. Sharing information, signposting, and collaborating are new and observable behaviours which are increasingly formalising through the opening of more Local Tourist Information / Visitor Centre's. Such efforts often being supported and coordinated through associated **municipal planning and communication functions** as tourism is increasingly being acknowledged as an area of local strategic economic interest.

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<sup>6</sup> Rural Tourism - Lendita Hyseni, Outdoor Kosova: <https://www.youtube.com/watch?v=-sSXdnVgXqo&t=95s>



### 2.2.3 Technology

Internationally, **technology has drastically transformed the tourism industry**, enhancing convenience, accessibility, and personalization for travellers while improving efficiency for tourism businesses. Online booking platforms, mobile apps, and AI-powered tools have simplified planning, booking, and the overall travel experience.

Whilst starting from a low base, **the tourism sector in Kosovo is embracing and capitalising on many of the same dynamics**. As shown elsewhere in this case study the rise in Airbnb and other direct booking sites is growing rapidly in Kosovo. In terms of wider marketing and use of social media the 2023 Kosovo Tourism Supply Side Survey revealed significant positive changes over time. For example, of those surveyed:

- **Accommodation:** 60% now have their own websites in 2023; with 87% registered on Google Maps; and **85% reportedly social media to promote their accommodation**.
- **Restaurants:** 50% now have their own websites; with **91% registered on Google Maps**; and 93% regularly using social media to promote their services.



### 2.2.4 Skills

A decade ago the tour guiding sector was largely informal, with no certification system or professional training programs in place. Adventure tourism activities, such as hiking and climbing, were **primarily driven by NGOs and enthusiast groups** rather than structured businesses.

**The sector has been formalising and professionalising at a pace.** Adventure tourism has grown significantly with Hiking trails, via ferrata routes, and outdoor adventure parks all now featuring as key attractions. Such growth is being **underpinned by skills development initiatives** such as the introduction of a regulated training and certification system for tour guides where **Kosovo now boasts more than 150 certified guides** for cultural and mountain tourism.<sup>7</sup> More so there is a growing network of trained hospitality professionals<sup>8</sup>, ensuring better visitor experiences and

“The idea to establish the GuideKS association was born from a group of young people from different backgrounds, who participated in a training for tourist guides organized by the Swiss Agency for Development and Cooperation project - Promotion of Private Sector Employment (PPSE) in Kosovo. After the training facilitated by PPSE, we organized ourselves and founded the association in 2018 and we are very proud that PPSE has facilitated this journey of ours and today we are part of the statistics, counting over 150 members who practice throughout Kosovo. In addition to strengthening the profession of tourist guides, GuideKS also aims to promote Kosovo as a destination and improve the image of the country internationally. GuideKS has joined the European Federation of Tourist Guide Associations (FEG), which creates opportunities for greater networking and further qualification of GuideKS members.

It is important for us that in addition to the work we do with our community, within a very short period of time, we have tried to put our association on the map of Europe, but also in the WFTG (World Federation of Tour Guide Associations), in order to get the best and most valuable experiences for our community. We have positive developments, which I believe we should all celebrate but also reflect on the challenges to convert them into opportunities for the future.”

**ENES TOSKA**  
GUIDEKS

<sup>7</sup> Atypical profession of a cultural guide, Rudina Lila: <https://www.youtube.com/watch?v=RrgAWI1-zYE>

<sup>8</sup> Being trained through emerging local training establishments such as the Faculty of Tourism in Peja and Ferizaj; and the High School of Tourism and Hospitality in Pristina.

industry credibility as well as training the operators of adventure tourism attractions through programs such as the ERCA Rope Course Safety Manager training, equipping them with internationally recognized certifications.

Consistent with the project's goal of social inclusion, PPSE implemented targeted training programs that equipped young Serbs with hospitality skills, enhancing both service quality and their employability within the tourism sector



## 2.2.5 Product Development

The global tourism industry is highly competitive, driven by a vast number of destinations, activities, modes of transport, and accommodation options, all vying for travellers' attention. **The prize of successful tourism is a rich one** with the industry's significant economic impact, contributing trillions of dollars to the global GDP and providing millions of jobs worldwide.

Tourism things to see and things to do were missing in Kosovo making it a not a competitive destination, which led to short term stays of visitors and little economic impact for local inhabitants. The innovative tourism products which were developed based on analysis of market demands and in protection of the natural environment<sup>9</sup>, not only contributed to more visitors coming in Kosovo and staying longer, but also had an indirect effect in more services flourishing in the surrounding area (more transport services, cafes and restaurants, guides, and guesthouses). Over a decade around 120 tourism products have been developed throughout the country.

As mentioned above, agencies and operators in Kosovo are increasingly cooperating to pool offers aimed at attracting tourists to come, to stay longer, go further and spend more. This means being responsive to interests and expectations and offering **increasingly differentiated quality driven options**.

Accommodation providers were primarily small, family-run guesthouses with inconsistent quality standards and limited online presence. Bookings relied on informal methods such as telephone reservations and word-of-mouth recommendations. Few establishments offered structured hospitality services tailored to international tourists.

Today the sector has expanded to include categorised hotels, boutique accommodations, and quality-assured guesthouses.<sup>10</sup> Online booking platforms (e.g., Booking.com, Airbnb) are now widely used, making it **easier for visitors to access reliable accommodation options**.

Restaurants and cafés primarily served locals and members of the diaspora, with little effort to integrate local culinary experiences into tourism offerings. There was no strategy to promote Kosovo's gastronomy as part of the visitor experience. Today the food and beverage sector has evolved, with an increasing number of establishments offering traditional dishes and farm-to-table experiences. **Culinary tourism initiatives have helped position Kosovo's cuisine as an integral part of the visitor experience**.

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<sup>9</sup> Case Study - PPSE Project's Systemic Response to Changing Winter Tourism Conditions

<sup>10</sup> Hospitality - Fitore Haliti, City Inn Prishtina: <https://www.youtube.com/watch?v=kT8o65OTwhI&t=351s>

The achievements of this sector are also reflected and promoted in new culinary and gastronomic festivals which have developed and grown from year to year, becoming a new attraction for many tourists and citizens. One of the most prominent events of this kind, organized annually, is the Prishtina Gastronomy Festival.

In pursuit of the project's objective of fostering social inclusion, PPSE implemented a series of targeted interventions aimed at increasing participation from non-majority communities in the tourism sector. Building on this, PPSE facilitated the development of new tourism products in non-majority areas, supporting initiatives such as the Ordo Draconis Medieval Park in Gračanica/Graçanicë, Via Ferrata Berim Camp in Zubin Potok, and Sfens Horse Ranch in North Mitrovica. These projects not only showcased the cultural heritage of minority communities but also generated meaningful employment opportunities.

Partnerships were formalized through agreements outlining clear roles and contributions, resulting in €189,864 of private sector investment during Phase II (2017–2021). A key enabler of these efforts was the Social Inclusion Fund (SIF), which allocated €200,000 during the same period to support initiatives benefiting non-majority communities and other socially excluded groups.

In addition to financial support, PPSE ensured the long-term sustainability of these interventions by facilitating skills transfer and capacity building—empowering local partners to sustain and further develop their initiatives beyond the life of the project.

The newly developed tourism products increased tourist engagement in non-majority areas, creating jobs and directly benefiting individuals through the Social Inclusion Fund (SIF) during Phase II. Initiatives like the Via Ferrata Berim Camp brought adventure tourism to Zubin Potok, diversifying local economic activities.<sup>11</sup>

Private sector partners reported increased visitor numbers and income, while digital marketing strategies enhanced visibility. These results validated the interventions, showcasing the economic viability of minority-led tourism products.

PPSE's interventions catalysed inclusive growth in Kosovo's tourism sector by introducing community-driven products, enhancing skills, and promoting cross-cultural cooperation. The Social Inclusion Fund played a crucial role in enabling these results by providing targeted financial support, fostering sustainable partnerships, and enhancing economic opportunities for non-majority communities. The project's approach to partnerships and innovation created sustainable models for minority inclusion, leaving a lasting impact on Kosovo's tourism landscape.

"This year we celebrate the 10th anniversary of our company. In the first year, we had a non-governmental organization and then from that non-governmental organization the company was created. In the first year we had somewhere around, I would say 100 clients, most of them were day clients who stayed for a day, we had about 10 clients who stayed more, that is, more than one night. Last year we had over 2000 clients, all of them stayed 5 nights or more, on average 8 nights. These are figures that cover the entire region, not just Kosovo, since we are a regional company.

I have been working on development projects for about 15 years and for me there is no single project that has had so much impact in Kosovo to this day. In addition, the legacy of PPSE is also the Via Ferrata and Zip Lines. Kosovo, alone, for me is not a country that is the probably the poorest in the region. The Kosovo I'm talking about is fortunately part of the Peaks of the Balkans, the Dinaric Alps and the High Scardus trail and during the winter for tourism, it's number one in the region for skiing."

**VIRTYT GACAFERRI**  
BALKAN NATURAL ADVENTURE

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<sup>11</sup> Outdoor In, Via Ferrata Berim: <https://www.youtube.com/watch?v=bbwH1Yydi9Y&t=397s>



## 2.2.6 Promotion

Kosovo lacked a cohesive destination branding strategy, and tourism promotion efforts were fragmented. There was no centralized tourism website or digital marketing strategy. Whilst much remains to be done in this area promotion is a driving force behind the pattern and pace of growth in Kosovan tourism.

**Kosovo's online tourism presence has expanded significantly**, with dedicated campaigns, improved websites, and engagement in international tourism fairs. Digital marketing tools are playing a crucial role in increasing the country's visibility among potential travellers.

Direct promotion through the **participation in international trade fairs has also been increasing and impactful**. Much of the efforts here are being coordinated and supported through a joined-up Government of Kosovo and Industry approach. **KIESA**, for example, is increasingly playing a proactive role in strengthening support for tourism companies by facilitating their promotion at international fairs as part of its regular institutional financing program. From one fair in 2014, KIESA now supports around five tourism fairs: ITB Berlin, EMMIT fair in Istanbul, WTM in London, International Tourism Fair in Kosovo, in Albania etc.

Tour operators and sector associations are also playing a greater role in the promotion of Kosovo tourism offer either through **familiarisation trips or representation in selected international fairs**, targeting specific markets.

From logos and national branding strategies to legal frameworks and associated standards and the kind of public—private action between the links of **KIESA and business association like KTU will be critical to the future positioning and promotion of Kosovo internationally**.

"Kosovo, as a small country with beautiful natural wealth, cultural heritage and rare hospitality, is increasingly appearing as a special destination on tourist maps, which is to be congratulated. I take the opportunity to say this, from what tourist companies or tour operators present in their tourist offers in their tourist activities or even in international fairs.

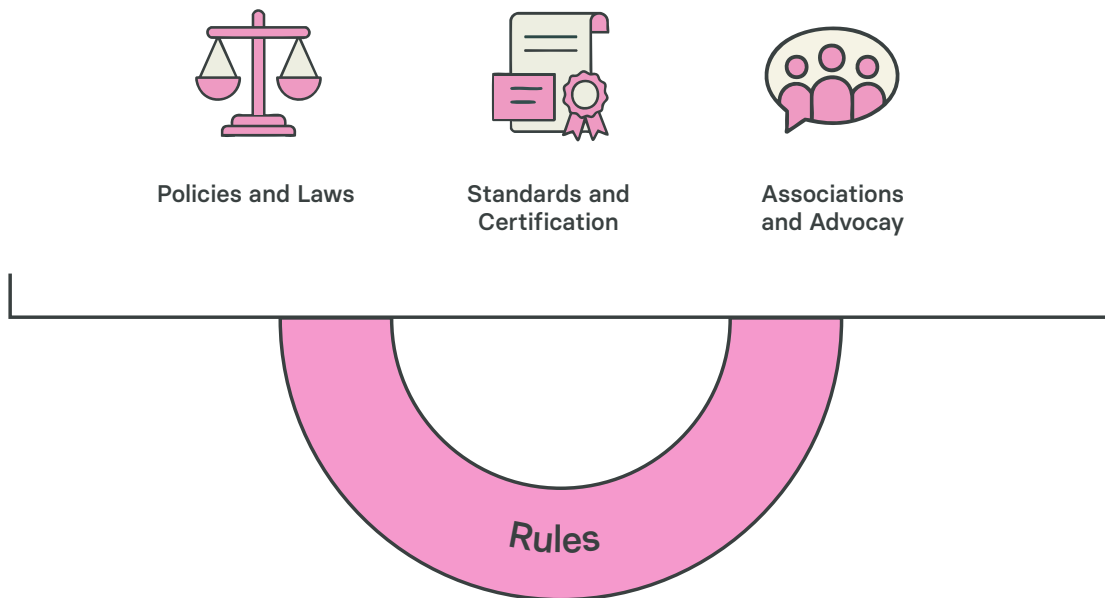
The Kosovo Investment and Enterprise Support Agency (KIESA), this year too will not stop supporting tour operators to be part of international activities, such as the ITB Berlin fair in March, Kosovo will also be presented at the London fair, which will be held in November, the World Travel Market. Also, KIESA is already preparing the launch of the grant scheme to support tour operators"

**DONIKA MAVRAJ**  
KOSOVO INVESTMENT AND ENTERPRISE  
SUPPORT AGENCY (KIESA)



## 2.3 Rules

These refer to the formal and informal rules and norms which govern and regulate incentives and behaviours of all actors in the core market. For the purposes of this case, the typical types of rules relevant to / driving change in Kosovan tourism are shown in the figure below.



Taking each one of the above in turn.



### 2.3.1 Policy and Planning

Kosovo's tourism sector previously operated under a rudimentary regulatory framework, with limited enforcement mechanisms. Institutional support was minimal as was public investment with tourism being of low prioritisation in national and municipal policies and budgets.

**Governance within the sector has improved significantly.** The Ministry of Industry, Entrepreneurship, and Trade has taken a greater interest in tourism legislation, regulatory policies, budget increases, and promotion. The adoption of the Tourism Law, National Tourism Strategy as well as tourism related secondary legislation is creating a structured framework for business operations, increasing investor confidence and attracting more private-sector investment and innovation. This is being **underpinned by increased public investment in the sector**, from larger national infrastructure works to addressing skills and standards issues, to more modest but targeted and impactful local initiatives.

“Tourism is much more than promotion or seasonal activities. It is a concrete tool for local economic development, job creation, revenue generation and preservation of cultural and natural heritage. Today, more than ever, municipalities need mechanisms that connect local needs with the capacities and investments of the private sector. In this regard, AKM has built a sharing platform, where information, good practices and needs for tourism services are accessible to all municipalities. This platform is both a reference point for municipalities and a window for the private sector that wants to contribute and invest in tourism. We are also working to strengthen the capacities of municipalities to draft tourism strategies, as is currently happening with some municipalities.”

**SAZAN IBRAHIMI**  
ASSOCIATION OF KOSOVO MUNICIPALITIES



### 2.3.2 Standards and Certification

The sector has been formalising rapidly as well with significant developments in terms of the implementation of regulations, licensing procedures, and quality standards—although at a very nascent stage, for accommodation, tour operators, and other tourism-related businesses.

The sector has shown that it can act quickly and authoritatively on such matters when required. A good example of this is the KTU led initiative during COVID lock-down to leverage Safe Travel Certified status for 37 hotels across Kosovo. It is estimated by PPSE that such **prompt and direct action secured at least 400 jobs during the worst of the pandemic conditions**. An important milestone was the transition from Safe Travels Certification during the COVID-19 pandemic to piloting Sustainability Certification with hotels such as City Inn, reflecting a long-term commitment to responsible tourism in the country.

To address the gap in the certification and inspection of adventure tourism products, the development of an accreditation process for safety inspections through the Faculty of Mechanical Engineering was facilitated and established.

“Over the past two years, in collaboration with the PPSE project, we have made substantial progress in enhancing our expertise in the safety of tourism products. This partnership came as a natural step after PPSE’s decade-long commitment to advancing Kosovo’s tourism industry, where PPSE has consistently promoted and co-financed the development of diverse sustainable tourism offerings. Through this continued partnership, we have been able to create and enforce essential legislation that governs the design, construction, and inspection of key tourism assets—such as zip lines, via ferratas, and adventure parks—in alignment with European standards. By building local capacities through this cooperation, Kosovo is now equipped not only to develop and maintain these tourism products but also to export related services to neighbouring countries.”

**SHPËTIM LAJQI**  
FACULTY OF MECHANICAL ENGINEERING, UNIVERSITY OF PRISHTINA



### 2.3.3 Associations and Advocacy

As shown above, the sector has been growing, with increasing commercial linkages and integration, and more proactive shaping and steering efforts from national and local governments. Similarly, **cooperation within the sector is becoming more formalised through the rise and professionalisation of associations and advocacy.**

Associations are playing an enhanced role in meeting industry needs in the area of skills, standards and certification. For example, two guiding associations - **GuideKs and Mountaineering and Climbing Federation** - have been established and playing a crucial role in enhancing services, building know-how, and improving coordination to advance the quality of guiding services in Kosovo.

The **Kosovo Tourism Union (KTU)** was established in 2020 during the COVID-19 pandemic. It was a response to tourism businesses seeing the need for stronger sector coordination to manage the threat posed by the pandemic. **Membership has continued to grow to over 205 members** for which it currently provides various services, including:

- **Advocacy:** to support development of private sector tourism businesses; and
- **Action:** sector promotion through fairs, symposia and conferences.

KTU is one of two main apex sector associations that have emerged in recent years to improve sector coordination, the other being the Chamber of Hospitality and Tourism.

“The Kosovo Tourism Union is an association established to support businesses and professionals engaged in the tourism industry in the Republic of Kosovo. Through its innovative approach, the Union constantly advocates for the improvement of development policies and strategies; on the other hand, it strengthens the cooperation of its members through networking and coordination with their partners. Kosovo is making tremendous progress in terms of tourism. We have tried to include Kosovo in Balkan and European packages and this has reflected very positively throughout the territory of Kosovo. Visitors are coming and staying for 10-15 days in the Balkan countries and now Kosovo is also included as a destination in these tourist packages – with tourists staying for 3-4 days. I think this is the beginning of a trend that we should continue.”

**BAKI HOTI**  
KOSOVO TOURISM UNION



# 3

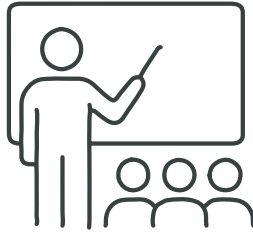
## **Interventions: Problems, Responses and Results**

# 3

## Intervention: Problems, Responses and Results

In this section the report 'drills-down' into some of the changes characterised above. It does this through the perspective of PPSE rather than the wider perspective of the sector as a whole or stakeholders within the sector. Though, of course, PPSE's perspective was critically informed by both the state of the sector and stakeholder perspectives on constraints and priority actions.

The changes in core market structure and performance, driven by improved supporting functions and emerging rules and norms – as shown above - is 'what' we're looking more closely at. In terms of 'how' we're looking at this – the framework through which reflection on 'approach and achievement' – is shown in the figure below.



### Interventions: Problems, Responses and Results



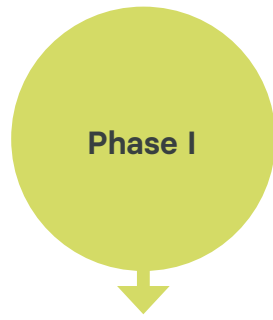
The remainder of this section provides reflection from experience across the three identified intervention areas through a consideration of

- 1 **Problem Definition:** qualifying and quantifying the problem to be addressed.
- 2 **Innovation Response:** the design of market building solutions.
- 3 **Partnerships and PPSE:** how these solutions were operationalised with partners.
- 4 **Results and Reflections:** what's been achieved and evidenced.

## 3.1 Problem Definition

As stated, this case offers an insight into the establishment, evolution and energy of an increasingly globally connected and locally integrated tourism sector in Kosovo. The sector has, and continues, to evolve structurally and rapidly. As such the priority constraints and corresponding intervention focus of PPSE have changed and evolved across its three phases – and will continue to evolve as the sector continues to grow and mature.

This dynamic picture is summarised in the figure below.



Tourism

### Key constraints identified

- 1 Limited or no concrete tourism offer, product development, and very limited supporting enterprise level activity and low investment levels.
- 2 Low skills and/or capacity, both within decision making bodies, amongst business owners and in the tourism labour market.
- 3 Lack of sector coordination leading to weak product development, and lack of destination management capability and wider collection action challenges.
- 4 Low levels of knowledge amongst nascent group of enthusiast groups as to what products to develop and how to do it.
- 5 Low levels of awareness of Kosovo as a tourist destination, combined with negative perceptions of Kosovo.
- 6 No sector data or statistics to drive policy making and strategic planning leading to low prioritisation in national and municipal policies and budgets.

### Intervention Focus

- 1 Promotion of a Destination Management Organisation as a joint marketing initiative with 3 municipalities- Peja, Decan and Junik.
- 2 Destination marketing activities linked to DMO, and in partnership with KIESA and Municipalities- fair participation and familiarisation trips, plus promotional activities inside Kosovo
- 3 Identification and support to product development and public infrastructure development, mainly through target municipalities and NGOs operated by enthusiasts. (partnership with MDP Consulting)
- 4 Marketing services for tourism enterprises- helping guesthouses to leverage e-commerce platforms (e.g Air BnB). (partnership with local company, PR Solutions).
- 5 Improvement of Tourism Statistics in partnership with KAS, Border Police.

## Phase II

## Phase III

- 1 Some public product offers beginning to emerge in Peja region, but overall ongoing lack of innovation in product development, with private sector highly risk adverse.
- 2 Sector coordination begins to improve with establishment of two associations, but they lack capacity and resources.
- 3 Destination marketing and promotion continues to be weak and poorly coordinated, although increasing participation in international fairs, supported by PPSE.
- 4 Ongoing weakness in HR capacities and supply of skilled labour (e.g around guiding), but Guide Association now established as first step.
- 5 KAS begins to publish statistics and data collection starts to improve, but still weak overall.
- 6 Covid 19 causes industry wide disruption from 2020 onwards.

- 1 Sector coordination continues to improve, although sustainability and capacity of associations remains challenging.
- 2 Legal framework nearly in place, although implementation capacity is still weak .
- 3 Promotion now focusing in on selected destination markets, and increasing participation in fairs with some support from KIESA, although still a lot of work to be done.
- 4 Availability of skilled labour and supporting certification schemes to drive capacity development and industry standards remains low.
- 5 A number of Municipalities prioritising tourism, with visitor flows increasing, but political uncertainties impacting progress.
- 6 Kosovo struggling to compete with regional neighbours for visitor nights. People come to Kosovo for a few days, but spend more time elsewhere.
- 7 Environmental management in the sector remains low and a threat to future growth.

- 1 Product development, expanding to other municipalities.
- 2 Commercialisation of Cultural Attractions in Pristina and Prizren.
- 3 Voucher scheme targeting local and diaspora visitors through online platforms and telecommunication companies.
- 4 International promotion of Kosovo's tourism offer in partnership with businesses, KIESA, Kosovo Embassies.
- 5 Turkish promotion of Kosovo's tourism offer in partnership with Kosovo Tourism Union.
- 6 Strong focus on sector coordination and networking, including better collection and use of statistics, strategic planning with selected municipalities, and development of the legal framework for the sector.
- 7 Pivoting to respond to Covid 19 Pandemic, including Safe Travels Certification and refurbishment of remote area guesthouses.

- 1 Building on learning from the preceding 2 phases, plus response to Covid:
- 2 Ongoing development of tourism product offers to open up strategically important regions (e.g Prizren, Pristina)
- 3 Continued deepening and targeting of international promotion activities, with greater ownership from KIESA and KTU.
- 4 Pivoting from Safe Travels Certification, back to original plans for Sustainability Certification as pandemic started to recede.
- 5 Emergence of safety and security training and protocols to enable continued development of adventure tourism assets (training for Faculty of Engineering).
- 6 Focusing on enabling environment with implementation of the Tourism Law and National Tourism Strategy.
- 7 Continued focus on strengthening tourism statistics through KAS.

**During Phase I** of the project, one of the primary challenges identified was the lack of coordinated action among stakeholders, which significantly hindered the development of the tourism sector. Key issues included the absence of integrated public and private tourism products, resulting in a limited range of attractions and activities for visitors.

There was also a notable lack of tourism enterprises beyond accommodation and restaurants, compounded by ineffective promotion and a severe shortage of professional human resources at all levels. **The sector lacked structured tourism products and services**, with most businesses focusing solely on accommodation and dining rather than experiential tourism.

A critical barrier was the limited access to funding, as small and medium-sized enterprises (SMEs) struggled to secure investments to improve tourism infrastructure and services. The lack of stakeholder coordination meant that businesses and public institutions operated in isolation, resulting in slow sectoral development. Additionally, the **availability of reliable tourism statistics was insufficient**, making it challenging to develop data-driven strategies.

A particularly severe issue was the low income of tourism MSMEs in mountain areas outside the summer season. Municipalities showed a lack of prioritization for tourism, with most of them not having established dedicated tourism departments. Tourism offerings, especially outdoor activities, remained poorly marketed both regionally and internationally, resulting in minimal engagement from regional tourists and limited awareness of Kosovo's tourism potential. **Due to the lack of diverse tourism activities, visitors had little incentive to extend their stays.**

Another significant challenge was the weak development of complementary tourism products, such as souvenirs and local crafts, which could have enhanced the visitor experience and increased spending. Despite the early development of tourism in the Municipality of Peja, the **sector remained largely underdeveloped across the country**. Kosovo struggled to compete with neighbouring countries due to the lack of adventure tourism offerings and underdeveloped infrastructure.

**During Phase II**, whilst positive signs were emerging problems still persisted, including weak coordinated action and poor marketing of outdoor tourism offerings, particularly on the international stage. Regional tourists remained largely unaware of Kosovo's tourism potential, and complementary products like souvenirs continued to be underdeveloped. Despite some progress in promoting specific markets, overall visibility and coherence in promotional efforts remained insufficient.

Additionally, the **lack of prioritisation in municipal planning continued to hinder comprehensive sectoral development**. Inadequate policy support and weak implementation of sector regulations further restricted strategic development, leaving the sector vulnerable to inconsistencies and gaps in service quality.

**By Phase III** of the project, progress was evident in the field of product development by private sector and public commitment to tourism development and promotion. Yet, professional human resources remained limited, and promotion efforts were still uncoordinated, often carried out independently by enterprises and institutions. The nationwide tourism product offering were lacking, with little diversification beyond a few established locations like Peja and partially Prizren. Furthermore, the development of tourism attractions created a growing need for clear **quality and safety standards** in both adventure tourism products and accommodation, to ensure visitor safety and satisfaction.

Throughout all three phases of the project, the challenges primarily impacted tourism stakeholders, including businesses, NGOs, guesthouses, municipal authorities, and local communities. The **consequences of limited economic opportunities and weak coordination were felt across both public and private sector actors**, directly affecting tourism planning, service provision, and local economic development.

## 3.2 Innovation Response

As stated PPSE follows a market development approach. Central to this is the idea of partnerships and collective action – **working with first movers to test and innovate initial responses which can then be more widely adopted and scaled more widely across the sector.** PPSE was focused on its strategic objectives for the sector – more tourists, staying longer, going further and spending more. But moving towards these objectives – particularly given the low starting base for sector development – required flexibility.

- Being focused on where PPSE wanted to shift the sector, but flexible in who it works with and how it helps get the sector moving was both purposeful and pragmatic. As such, the kinds of interventions and innovations recorded below need to be considered in context:
- **More illustrative than exhaustive:** these represent key thrusts indicative of the kinds of areas and innovations PPSE focused on, rather than a list of each and every intervention partnership entered into.
- **More entry points than exit destinations:** they represent areas deemed priorities but also where there was appetite in the sector to invest in change – initially and at that time.
- **Right-sized to the risk appetite and delivery capability of partners:** pragmatism over perfection was a guiding motto when testing risk and innovation processes.
- Interconnected rather than isolated: these innovations and interventions were not stand-alone and discrete. They were pieces in a wider play.
- Within such a context, some of the key intervention areas and innovations introduced and tested by PPSE in collaboration with partners included:

### 3.2.1 Product Development

The lack of diversity and quality of the tourism offer of activities, attractions and services is one of the major constraints in the sector. To address this constraint, the intervention on the development and improvement of tourism products/attractions, has been implemented during Phase I in Pejë/Peć<sup>12</sup>, Junik, Prishtinë/Priština, Zubin Potok, initially external expertise was brought in Kosovo to design the potential products that suited the demand of the tourists and the environment. After the strategic planning, co-financing mechanism were offered. The intervention scaled up over phases 2 and 3 as follows:

- Businesses and municipalities have **invested and developed more than 120 new tourism products**, across adventure, cultural, and agro-tourism experiences; and
- With PPSE co-financing **over €2 million has been invested into these tourism attractions.**

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<sup>12</sup> Sustainable local development - Gazmend Muhaxheri, Mayor of Peja: <https://www.youtube.com/watch?v=-o-DZ0FKWg>

### 3.2.2 Sustainability Certification and Safety in Adventure Tourism

As part of advancing Kosovo's tourism sector, growing emphasis has been placed on both **safety standards** and **sustainability certification**, aligning with international best practices. The introduction of systematic safety certification marked an important milestone, with Green Valley in Gjilan<sup>13</sup> being among the first to undergo inspection by an ERCA-certified body. This process reflected a rising awareness and responsibility among businesses regarding visitor safety and the long-term viability of tourism products.

To reinforce this progress, PPSE cooperated with MIET to draft an administrative instruction making annual safety certification compulsory for tourism product owners. In parallel, PPSE partnered with the Faculty of Mechanical Engineering to build institutional capacity, training its personnel to conduct regular maintenance and safety inspections, with several becoming certified inspectors under the European Ropes Course Association. More than 15 staff operating adventure attractions have also been trained and certified as safety managers. These measures have greatly strengthened tourist confidence in adventure products, leading to higher activity levels and increased revenues. They have also positioned Kosovo as a regional leader, to the extent that neighboring countries are now seeking its expertise in developing and maintaining adventure tourism products.

In addition to safety, PPSE has promoted **sustainability certification** as a driver for a competitive and responsible tourism offer. Piloting this process at the City Inn Hotel in Prishtina, PPSE demonstrated how sustainability standards can be implemented in practice and shared these lessons with other hotels. This has underscored the value of sustainability certification not only for environmental and social responsibility but also as an effective marketing tool that enhances attractiveness to tourists and contributes to higher revenues.

Together, these initiatives have closed the cycle from planning and investment to certification and ongoing maintenance, fostering a safer, more sustainable, and more competitive tourism sector in Kosovo.

### 3.2.3 Opening Cultural Tourism

The potential for cultural tourism as an alternative to **outdoor tourism was explored and informed by two large scale tourist exit surveys** focused particularly on areas in Pristina and Prizren deemed to have significant but latent potential for development.

A significant number of tourist sites are managed by public entities, primarily the Ministry of Culture. Understandably developing these sites and associated tourist offers around them is quite intricate as it involves navigating through a range of legal and administrative procedures which seek to **balance preservation with patronage**.

Nevertheless, progress has been made in many respects at local level. For example, during 2022, a number of successful cultural and recreational activities were implemented in different municipalities such as: Manifesta 14, Sunny Hill Festival, Doku Fest, Prishtina Gastronomy Festival, 'Ramë Lahaj International Opera Festival' etc. These events (some of them supported by PPSE) have **enlivened the cultural and entertainment life in the country**, bringing in a considerable number of local and international visitors and placing Kosovo more firmly on the global cultural map. This impact had a spillover effect, where nowadays almost all the municipalities of Kosovo organize and implement local festivals with the aim of attracting local, regional and international visitors.

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<sup>13</sup> Inspection and certification of the Green Valley zip-line in Pogradja, Gjilan: [https://www.youtube.com/watch?v=RwTkMd\\_njwY](https://www.youtube.com/watch?v=RwTkMd_njwY)

### 3.2.4 Linkages, Marketing and Promotion

Kosovo's tour operators have traditionally been small in scale and maintained weak connections with international counterparts, limiting their access to sales channels. To address this challenge, PPSE supported initiatives to strengthen linkages and improve the visibility of Kosovo's tourism offer across diverse market segments, including Balkan tours, regional visitors, international tourists, as well as local and diaspora travelers.

A broad mix of promotional channels has been applied to open new markets and build stronger networks. These included familiarization trips with international tour operators, press trips with journalists from targeted markets, influencer promotion, and coverage in specialized media outlets as well as major international platforms such as the *Financial Times*, CNN, and *National Geographic*. Kosovo's presence at international fairs and roadshows in countries such as the UK, Germany, Turkey, Israel, Japan, Poland, France, and Albania have further expanded market exposure and business-to-business opportunities.

New priority markets have been identified, particularly within the EU—Germany being a central focus—and the Middle East, with Turkey as a key entry point. Promotion efforts are increasingly strategic, combining B2B and B2C linkages to broaden outreach and impact. These activities are no longer driven solely by private tour operators. They are now pursued in close collaboration with public sector actors, especially the Kosovo Agency for Investment and Enterprise Support (KIESA), overseas Embassies, municipalities, and business associations. Among these, KIESA has played the most significant role in coordinating and supporting Kosovo's growing international tourism promotion efforts.

### 3.2.5 Professionalisation of Guiding Services

- Innovations here focused on working with and helping the transformation of guiding services from that of informed enthusiast to accredited service professional. To date more than **150 guides have now been trained to international standards** and accredited as such. Central to the sustainability and scaling of such changes has been the **formation and functioning of associations who can help drive standards** and coordinated support moving forward. In this respect some key emerging changes include:
- MIET has introduced the "guide profession" in the **tourism law** which was inexistent before. Administrative Instruction on guides has been developed and approved.
- GuideKS guiding association established, **part of European Federation of Guiding Associations** and **the World Federation of Guiding Association** and offering training for cultural guides.
- Mountaineering Federation facilitating **international and local training for mountain guides**.
- BMOs (KTU and CHHT) offering training and in process of **obtaining accreditation**.

### 3.2.6 Sector Strategy and Planning

Improved direction setting, strategy and coordination has been a key thrust of activity for PPSE at national and municipal levels, with government agencies and through sector associations.

The Tourism Union of Kosovo has increased the intensity of coordination with tourism actors, implementing several joint activities throughout the year, including promotion in targeted markets, further facilitation of safe travel certifications and engagement in other supporting services. The MIET has

continued its activities to further enhance legislation. After the approval of the tourism law, and the national tourism strategy, it is following on the secondary legislation, with six of them already being adopted.

Given that over the past years PPSE has supported the private and public sectors with market information and technical expertise (local and international) on potential tourism products to be developed in Kosovo, in phase III collaborated with the Association of Kosovo Municipalities, which will serve as a hub point for providing the municipalities with information, strategic planning, guidelines on tourism product development, capacity building for the tourism officials and advocacy for the implementation of the Accommodation Tax, as foreseen in the Tourism Law.

This **model is now extending and being replicated (see below) across different municipalities across Kosovo** who are increasingly recognising the economic dynamism of local tourism and the critical role local authorities can play in helping harness this.

### 3.2.7 Statistics and Information

Underpinning the emerging interests and activities in strategic planning and support to the tourism sector lies innovations in statistics and information. **PPSE has been working with the Kosovo Agency of Statistics (KAS)** with local and international expertise, towards improving the provision of tourism data as per **EUROSTAT standards**. The data now are being reported on a monthly basis by including not only data from hotels but also household surveys and border police.

## 3.3 Partnerships

As stated, partnerships are at the heart of the kind of innovations and intervention work of PPSE. Over the course of the three phases of implementation, around 190 partnerships were facilitated in the tourism sector. This section presents three partnership-focused case studies which offer deeper insight into the kinds of intervention and innovation outlined above.

### Case Study 1: Marimangat and Balkan Natural Adventure

The catalyst for the growth in Kosovo's tourism sector over the past 9 years can be traced, in part, back to PPSE's early partnership with the NGO, Marimangat, based in Peja Municipality. On the back of the catalytic role Marimangat played in opening up adventure tourism in Peja, one of the NGOs founders, saw the opportunity to open his own tour operating business, Balkan Natural Adventure. This business has contributed to the growth of a wider base of tour operators now working in Peja Municipality.

Marimangat itself was started by a group of rock-climbing enthusiasts who had received initial training in Via Ferrata by the Italian KFOR presence. As PPSE began to explore opportunities to test new product ideas in the Accursed Mountain region, the project partnered with Marimangat to develop Via Ferrata in the area as a public good, that local MSMEs could exploit as the basis for giving tourists more to do and creating spillovers

in which tourists stay longer and spend more. Marimangat effectively played the role of developer-operator- building the initial facility and then maintaining it over time in return for user fees. Together with the Peja Municipality, PPSE cost shared on an initial 15,000 Euro investment to construct and subsequently market the Via Ferrata activity.

After seeing the immediate results with the number of tourists increasing, and building on this early momentum, PPSE subsequently leveraged its Opportunity Fund to cost share with Marimangat on the construction of a zip line (PPSE paid 19,000 Euros out of a total of 32,000 Euros, equivalent to 59% of the total cost). The addition of the zip line served to further enhance Peja's tourism product offer and demonstrate to other businesses what was possible in opening up multi-faceted tourist offers (see below).

By this stage, Marimangat was firmly established as a developer of the Via Ferrata concept, and PPSE has gone on to cost share with Municipal Governments in Peja, Prizren and Decan and with a local NGO Outdoor In in Zubin Potok in developing their own Via Ferrata offers. In total 7 Via Ferrata have been built, and Kosovo is increasingly recognised on the Balkan Adventure Tourism circuit as having an established network of Via Ferrata.

As momentum has built over the life of the project, PPSE has also partnered with Balkan National Adventure as a leading tour operator developing its footprint in the region. Two activities illustrate how the project has been able to leverage BNA's private sector interest to deliver a wider public good and industry benefit. In 2021 for example, PPSE cost shared with BNA on the training and certification of tour guides, reflecting the severe shortage of trained guides that has restricted the growth potential of tour operators in Peja and elsewhere in Kosovo. The guides operate on a freelance basis so are also available to be hired and used by other tour operators. Another innovation introduced in 2021 has been to cost share (PPSE paid 1,200 Euros) with Marimangat to develop maps that enable visitors to self-guide when using the Via Ferrata. This helps to maintain (and increase) visitor flow, whilst managing the need for an increased number of qualified guides.

## Case Study 2: N' Bjeshke

N'Bjeshke is an Agro tourism facility located in Dragash Municipality, an hour's drive into the Sharr Mountains from Prizren. Established in late 2019 as a restaurant offering some limited accommodation and a conference room, the owner was looking to exploit the strategic position of the restaurant to create an integrated agro tourism offer with additional facilities that would respond to customer demand for more things to do, thus ensuring people stayed longer in the area. Building on his initial business plan, PPSE entered into a partnership in early 2022 to test PPSE's product development interventions in opening up a new strategic location in Dragash to increased visitor flow.

Starting from N'Bjeshke's existing plans for a ski lift, educative farm for children and plans for an adventure park, the partnership sought to test product offers that integrated both the tourism and F & NI sectors. This has resulted in co investments in snow tubing and the adventure park, as well as blue berry processing, capitalising on N'Bjeshke's position at the heart of prime blueberry picking collection territory in the Sharr Mountains. Over 2022, PPSE committed a total of 30,000 Euros in co investment to N'Bjeshke.

The partnership leverages total investments made by N'Bjeshke of more than 800,000 Euros in acquiring the restaurant, additional land and putting in place key base infrastructure. Most recently the owners have started building 3 villas (they would like to do 10), and on their own initiative they have now installed a second ski lift purchased in Austria for 21,000 Euros, as well as having begun to install solar power to address their high electricity costs (circa 1,000 Euros per month). Despite opening just as the Covid 19 pandemic was beginning, they had a good first year turning over 165,000 Euros as people looked to escape into the mountains from movement restrictions in town. Last year they turned over 265,000 Euros, and they are seeing increasing numbers of visitors coming from further afield (e.g: Albania).

In the 5 years since N'Bjeshke acquired the land, the value of their land has increased from 300 Euros per ore (the original purchasing price) to 10,000 Euros, and in the neighbouring farms, farmers report that their land is now worth 10 x as much as it was in 2019 (3,000 Euros per ore), a fact that they attribute to the presence of N'Bjeshke. A number of new businesses have started to open nearby, including 3 villas just up the valley and another below, and a number of local farms have started to supply them with Flija and local produce. Investors from Albania have recently approached them looking to create a partnership to develop a 6 hectare facility in partnership with them- although to make it viable they need to work with the local villages to be able to offer a consolidated block of land to the prospective investors. On the back of their cost share with PPSE on blueberry processing they can process 6-8 tons of blueberries in a season and in 2022 earned 9,000 Euros in revenue from their blueberry processing, which they expect to increase to 13,000 Euros this year.

### **Cast Study 3: The Kosovo Tourism Union**

The Kosovo Tourism Union was established in 2020 during the Covid 19 pandemic, as a result of a number of tourism businesses seeing the need for stronger sector coordination to manage the threat posed by the pandemic. KTU quickly grew to its current size of 205 members, and describes itself as having two main functions: 1) To support the development of the private sector; and 2) Sector promotion through fairs, symposia and conferences. KTU is one of two main apex sector associations that have emerged in recent years to improve sector coordination, the other being the Chamber of Hospitality and Tourism.

A key success that PPSE and KTU were able to secure early in their partnership together was to leverage City Inn's experience in getting Safe Travel Certified, to support 37 hotels in total in obtaining their Safe Travel Certification. As a result, a substantial number of jobs were saved during the pandemic- conservative estimates suggest at least 400, based on an assumed average of 10-12 employees per hotel, although this appears to have been unreported (see below).

Despite its early advocacy efforts and activity, only 35% of KTU members currently pay their fees, mainly because they are unable to do so, or are not yet recognising the value KTU brings to the industry. To address this, PPSE has collaborated with KTU in a number of key areas, most recently signing a partnership agreement with KTU in 2022 to organise the Kosovo International Tourism Fair, the first major tourism promotional fair to be held in Kosovo. KIFT targeted tour operators and businesses from across the Balkan region, as

well as Turkey, Greece and Bulgaria, and 120 businesses attended. The KIFT has become a traditional fair, being organized every year and mainly supported by Municipality of Prishtina, KIESA and the participating businesses.

PPSE has also worked closely with KTU to promote Kosovo's tourism enterprises and Kosovo as a destination in selected international fairs across Europe, including the EMMIT fair in Istanbul, Izmir Fair and other fairs in Poland, Albania and B2B meetings in London. KTU, together with KIESA, is increasingly taking over the organisation and participation of Kosovo's tourism enterprises within regional tourism fairs. A particularly promising development has been KIESA's decision to allocate government budget to booking stalls at target fairs (e.g EMMIT), and allowing a third party (KTU) to manage participation. Nonetheless, despite this growing momentum, the Head of KTU emphasises the need to further improve and strengthen the marketing of Kosovo as a tourist destination as an "emergency" requiring significant attention and focus going forward.

Other priorities that KTU have identified in the short to medium term include: 1) the need to build on initial efforts to promote Sustainability Certification; 2) the need to develop the skills base of the workforce in the tourism sector, (e.g: developing certification of guides); and 3) a range of enabling environment reforms that will support passage of the new Tourism Law, and increase industry competitiveness.

As one example of an increasing focus on enabling environment reforms, KTU is lobbying the Government to extend the reduction on VAT from 18% to 8% that was introduced as an emergency measure during the pandemic. This is considered necessary to boost the competitiveness of Kosovo's tourism enterprises relative to their regional peers who benefit from lower tax rates which allows them to reduce the cost of their tour packages. Recent research by RiInvest however has called into question whether this measure will have the desired effect. Nonetheless this offers a good example of the more enhanced and evidence based advocacy capacity developing in the sector.

## 3.4 Results And Reflections

This section offers a summary of key achievements both evidenced and emerging.

The increased number of attractions and improved promotion in targeted markets, through a better coordination of all tourism stakeholders, in the destinations where PPSE was active, impacted not only the economic sustainability of the products' operation, but also in the overall growth of the tourism sector: more service providers like accommodations, restaurants, guides, transportation units, increased attractiveness of the destination due to an improved offer, improved package and promotion, leading to more tourists, lengthier stays, and income. In addition, response has been observed (marked) at the local and national level – improved legal infrastructure, funding commitments, tourism strategy.

- In terms of more 'direct' and evidenced results some headlines include:
- **A 76% increase in tourism business turnover** (from €241.6 million in 2021 to €425.5 million in 2023) showcases overall sectoral growth.

- Around 170 tourism products (attractions and activities) have been developed, positioning Kosovo as an adventure destination.
- The rapid expansion of private accommodations, with over 1,000 units listed on Airbnb, indicates **increased market accessibility**.
- The establishment of key tourism associations **improved sector coordination**, a critical challenge in the pre-2013 landscape.
- Kosovo's tourism sector **rebounded impressively post-COVID-19**, suggesting improved resilience and adaptability.

As stated, earlier PPSE works in the kind of partnerships outlined above within a wider collective action process. Working with first mover partners to innovate, test and learn; as part of a collective action strategy centred on wider scaling – deepening and expanding emergent practices.

- To this end PPSE is observing and evidencing such emerging scale effects and has identified different pathways through which the 'direct' results reported above are (and will continue to) multiplying. These include:
- **Internal Replication:** Public and private actors have adopted PPSE-backed tourism strategies for broader implementation.
- **External Crowding-In:** Increasing interest in adventure tourism and eco-tourism investments signals potential for sector expansion.
- **Sustainability Measures:** Institutionalising guide training and safety certification as long-term priorities.
- **Geographical Expansion:** Replicating successful interventions in the Gollak region and Pristina Municipality, unlocking new tourism opportunities.
- **Leadership Driven:** the national government demonstrated its commitment to further sectoral growth by implementing the National Tourism Strategy, ensuring structured long-term planning and encouraging action.

# 4

## **Reflections from a Facilitator of Market Systems Change**



# 4

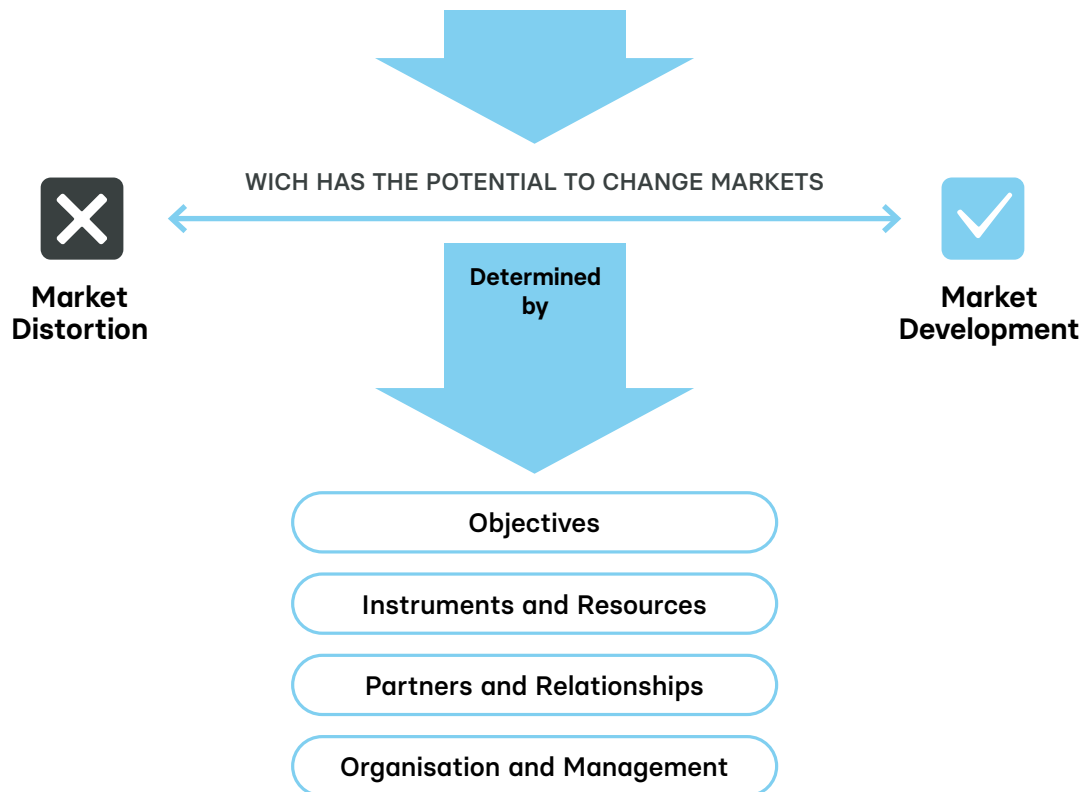
## Reflections from a Facilitator of Market Systems Change

Whilst not written primarily for an international development audience the concluding section of this case report will **reflect the experiences and summary lessons from PPSE as a donor funded facilitator of market system change**. It is hoped that such lessons will be useful to others interested in further facilitating market system change in the tourism – or other – sectors in Kosovo, or elsewhere.

The lessons in this section reflect the experiences of PPSE as a whole – from the **perspectives of the PPSE team and its partners** - and across its work in the Tourism sector.

As an externally donor funded programme operating in Kosovo everything 'actively' done by PPSE in support of its work in the Tourism sector can be considered as a form of 'subsidy'. The use of any subsidy to stimulate more inclusive private sector development has the **potential to either 'develop' or 'distort' market systems**. The types of support provided, aiming to develop the market systems were through: Facilitation of change processes, including research, product design, promotion; Technical Support/Expertise for product innovation, strategic planning, Senior Expert Corp mechanism; and Co-financing of direct SEM investments including the instruments of the Opportunity Fund and Social Inclusion Fund. The extent to which an outcome emerges is determined by four critical factors, as shown in the figure below.

## Intervention is always about subsidy



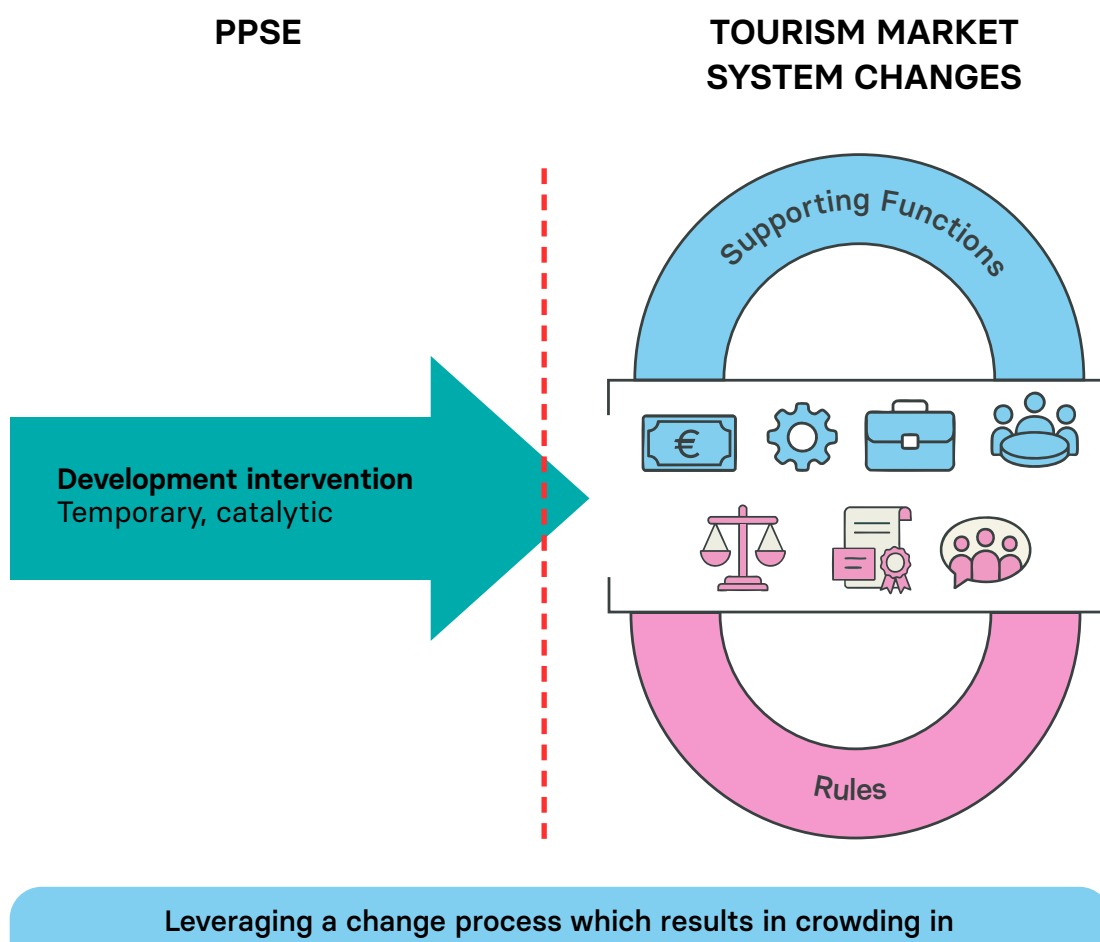
The remainder of this section will explore each of the four factors shown above:

- **Objectives:** PPSE's market development objectives and what these mean more tangibly.
- **Instruments and Resources:** how it worked as a market facilitator in channelling different forms of support and subsidy.
- **Partners and Relationships:** who and how it worked most effectively with.
- **Organisation and Management:** the structures, processes, culture and management which ensured PPSE was able to balance the right levels of 'focus with flexibility' across its work with different kinds of stakeholders in Kosovo.

## 4.1 Objectives

The objectives of PPSE are shown in the figure below. PPSE is a time-bound externally financed 'agent of change'. It is **temporary and aims to be catalytic in facilitating market system changes** which can improve the structure, performance and inclusion of the FNI sector in Kosovo.

As it does this it is informed by the principle of 'leverage' – using the resources it has available to **stimulate co-investment** by others and in so doing **build ownership / leadership of the change process**. In this way PPSE aims to 'crowd-in' through managing a **multi-stakeholder led collective impact approach**.



### Leverages: principle of intervention

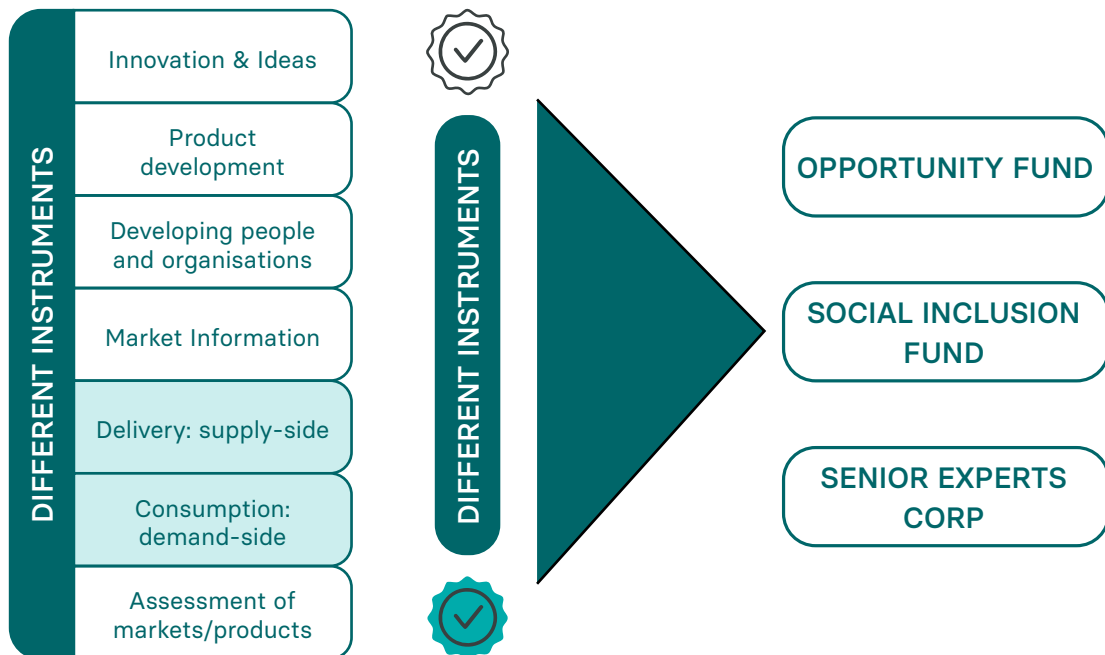
- Use scarce resources for maximum effect
- Targeted programme inputs to stimulate market players to react more sustainably (ownership, investment etc)...
- ... and continue to act without programme support

### Crowding in: objective of facilitation

- Catalyse new or different alignment of market players and functions, improve a system's performance
- **Breadth:** outreach, inclusion
- **Depth:** supporting functions, rules

## 4.2 Instruments and Resources

As demonstrated (non-exhaustively) in figure below a **market facilitator has a wide range of instruments it can choose and use** to achieve different kinds of engagement and outcome. Some instruments are more direct and intensive, and some less so **each with their own 'risks' for potential market development and/or distortion.**



Informed by its analysis and consistent with its stated objectives, in addition to its facilitation approach and technical expertise, PPSE used a range of different instruments often in a 'blended' and mutually reinforcing format. This is demonstrated through a deeper consideration below in respect of three key approaches used by PPSE: Opportunities Fund, Social Inclusion Fund and Senior Experts Corp.

### 4.2.1 Opportunity Fund

The Opportunity Fund (OF) under the PPSE project was designed as a **flexible financing instrument to catalyse innovative, risky, but high-potential** interventions that could stimulate systemic market shifts and sustainable private sector employment for youth in Kosovo. Rather than operating as a standalone activity, the **OF was tightly integrated into the overall PPSE strategy**, supporting interventions identified by the project team and via thematic calls to influence innovation and capture external opportunities aligned with project goals.

The OF primarily aimed to finance:

- **Innovative initiatives** within PPSE's existing sectors (Tourism, Food & Natural Ingredients).
- **Employment-creating activities**, especially for youth and marginalized groups.
- Initiatives offering **systemic change potential** and market expansion.

The fund emphasized risk-taking, innovation, and early-stage support where traditional market mechanisms were insufficient.

The Opportunity Fund employed several types of instruments:

- **Grants:** Core instrument, with minimum grants starting at €10,000. Commercial enterprises were usually required to match funding to ensure commitment.
- **Technical Assistance:** Grantees could receive mentoring, capacity building, and access to broader networks and partner organizations (“Grant Plus” approach).
- **Support to Service Providers:** Investment in improving advisory services, and value chain linkages.

Co-Investments: Matching investments to de-risk private sector participation.

- Working with different kinds of stakeholder on a range of supporting function and rules issues, PPSE adapted the blended package of support options by type of partner. For example:
- **Private Sector:** Focused on co-investment, business viability, scalability, and return on investment.
- **Public Sector / Municipalities:** Ensured interventions aligned with broader sector strategies and avoided duplication with public funding.

CSOs and Minority Organizations: Focused on social inclusion and employment outcomes, ensuring interventions were economically viable and not purely welfare-based.

Reflecting on experience from the perspective of partners three strong themes have clearly emerged:

### **The value of facilitation that PPSE’s team itself brings to the partnership**

*The value of PPSE as a market facilitator. Every partner consulted was at pains to emphasise the role of the PPSE team in providing strategic advice, ongoing business-related coaching, and helping to reflect on what they are seeing in their business and what they could do differently (or better). For government partners, each interviewee highlighted how PPSE support had helped to overcome critical planning and capacity constraints.*

### **How engaging with PPSE exposes partners to new ideas, ways of working and opportunities that they had not considered before**

*Exposure to new ideas and ways of working. The majority of partners emphasised how exposure to new ideas, experiences, business models and product offers had helped them to refine, adjust and update their own plans and what they were planning to invest in. Whilst, more often than not, the business consulted had an idea of what they wanted to do, this was limited by not knowing what could be possible relative to what they had planned.*

**How the subsidy they do receive from PPSE, has served to de-risk their investment choice at a critical moment in time in their project development and accelerate what they wanted to do, often leading to unexpected (positive) spillover effects beyond initial plans.**

*De-risking and accelerating investment decisions. In most cases, PPSE support has served to enable partners to make choices that they would either not have made before or would have deferred to a later time. In accelerating when investments were made, this has often helped to crowd in and leverage the commitment of other resources. If the investments were spread out over a longer time, then wider opportunities to create spillover effects and copying opportunities would likely have been missed and the pace of change would have been much slower (e.g: N'Bjeshke Case Study examples from the Strategic Review). Many of the partners consulted reported that they had ended up investing a lot more than they had originally planned to more effectively exploit the opportunity the partnership with PPSE had created.*

Beyond these three themes, what also emerged was that **PPSE's facilitation role - and perceived value - went far beyond simply funding.** Facilitation involved investigating markets, identifying the right partners, structuring the right deals, and adapting strategies through deep, inclusive analysis. **In thin markets like tourism, where few models existed to copy, experimentation and piloting were critical.** The PPSE approach required educating partners on finance, investment thinking, and cost-benefit analysis — something that many partners were unfamiliar with at the outset. A key lesson was that **demand-driven approaches worked well, while supply-driven initiatives struggled to gain traction.**

Reflecting on lessons from the perspective of the PPSE team itself the following themes have emerged.

### **Flexibility & Strategy Alignment**

*Success depended on being agile while keeping aligned to core sector strategies. As one colleague aptly put it in the workshop, "addressing constraints for change vision" became the guiding principle: flexibility was not about chasing every opportunity, but about systematically addressing constraints that stood in the way of realizing the bigger market vision. Another example of flexibility (and doing the right thing at the right time) was during the COVID-19 pandemic where the budget from the OF was allocated in Outcome 1 to support both sectors in recovery (pandemic caused the complete shutdown of HORECA sector). PPSE responded by including Safe Travels Certification and refurbishment of remote area guesthouses.*

### **"Grantpreneurship" and Strong Due Diligence**

*In Kosovo's post-conflict development landscape, heavy donor presence has been a vital force in rebuilding institutions, markets, and civil society. However, it also unintentionally created a dynamic where some SMEs adapted their strategies more toward securing donor funding than building sustainable businesses - falling into what can be described as a "grantpreneurship" trap. In the tourism sector, where thin markets required nurturing grassroots initiatives, PPSE deliberately worked with high-will, low-skill partners — often NGOs or individual enthusiasts — and invested in their transition into sustainable businesses. In both sectors, instinct,*

*trust-building, and informal verification played a key role in filtering partners who demonstrated tangible commitment and a clear pathway to sustainable impact.*

### **Co-financing**

*In Kosovo, it was common for SMEs to contribute only 20% to co-financing when working with donors. PPSE raised the bar, with partners contributing an average of 40–50%, helping to identify those with genuine ownership and commitment. This approach filtered out donor-dependent actors and attracted SMEs with clear business visions and a real appetite for growth. The higher co-investment not only increased sustainability but also reinforced financial discipline and strategic thinking, strengthening the long-term impact of interventions across both the FNI and tourism sectors.*

#### **4.2.2 Social Inclusion Fund**

The objective of Social Inclusion Fund (SIF) **was to promote equity and inclusion of socially excluded minority communities and women.** The fund was designed to promote inclusion by partnering with private and public sector actors to finance initiatives that have high potential for growth in value chain activities and promote employment.

The SIF was a new instrument to support private sector employment creation for the minority communities and other socially excluded groups. In 2018, the project focused on Roma/Ashkali/Egyptian inclusion, and funded interventions identified by the Social Inclusion Fund and Minority facilitator together with the respective team. **SIF tested new and innovative ideas that offered opportunities for job creation among minorities and socially excluded groups.** The total budget of SIF for the four years of implementation was CHF 200,000, whereas CHF 60,000 was planned for the first year of implementation.

Intervention areas of SIF can be broadly defined as initiatives or activities that create and contribute to economic opportunities and support employment of minority communities and other socially excluded groups.

## Social Inclusion Fund

Reserved for initiatives led by and/or benefitting directly women and non-majority, including youth from these groups

Aims at supporting start-up, micro and small initiatives or business ventures, as these are usually the ones operated by women and/or non-majority groups, including 'youth'

Supports all relevant actors, including municipalities and their social inclusion initiatives

Applicants sometimes wanting to enter a sector, aiming to become an operational actor in the system

Provides seed money or small grants, no contribution required although it is encouraged

Tends to disburse funds above 3,000 euro.

## Opportunity Fund

Considers women and non-majority but also open to majority applicants whose action can benefit directly or indirectly women and/or non-majority including youth

Generally aims at medium to larger companies

Tends to support individual operators and companies e.g. strength in size vs. numbers

Applicants usually already operating in a sector, aiming to grow and/or expand their operations in the system

Provides matching funds, with required financial contribution from applicants

Tends to disburse larger sums above 10,000 euro

Key reflections of implementation experience of CIF from the perspective of the PPSE team include:

### **Social Inclusion Must Be Integrated Across Sectors, Not Isolated**

*Social inclusion efforts are most effective when mainstreamed into broader sector interventions (Tourism and Food and Natural Ingredients - FNI), rather than treated as separate, standalone initiatives. Every project output (e.g., SME growth, production increase, service provision) should actively consider women and minority inclusion from the design phase onward.*

### **Different Groups Required Different Strategies**

*Roma, Ashkali, Egyptian communities: Needed stronger support through micro-business development, waste management initiatives, and entry-level agricultural activities. Women: Required assistance overcoming barriers to business ownership (e.g., access to collateral, training, childcare). Kosovo Serbs, Bosniaks, Turks: Needed market linkages and support overcoming linguistic, administrative, and infrastructural barriers.*

### **A demand-driven approach to social inclusion—where opportunities for marginalized groups are identified and integrated directly into sector interventions—is more impactful than relying solely on a supply-driven model like a separate fund.**

*Through implementation, it was understood that a project alone cannot change deep-rooted social norms; instead, it can create incentives and spaces within the market system for more inclusive participation. Mainstreaming inclusion into all interventions encourages staff to trigger systemic change where opportunities arise, rather than focusing narrowly on managing a budget. This leads to broader, more sustainable outcomes by embedding inclusion into the natural growth of sectors. A clear example of this was seen in Phase II where inclusion was mainstreamed by supporting development of tourism products and training provision for HoReCa sector for non-formal professions among non-majority communities and in Phase III, where inclusion was mainstreamed by partnering with municipalities on strategic planning and capacity building initiatives. For instance, developing tourism strategies for the municipalities of Gračanica and Parteš brought together municipal representatives, tourism experts, and local stakeholders to adopt a destination management approach emphasizing sustainability and inclusiveness. As part of this broader cooperation agreement with the Association of Kosovo Municipalities and GuideKS, local guides from the Serbian community were trained with PPSE's support. This not only enriched the local tourism offer but also promoted the cultural and natural heritage of the area, demonstrating how systemic integration fosters sustainable, inclusive growth.*

#### **4.2.3 Senior Experts Corp**

The Senior Expert Corp (SEC) has been active in Kosovo since 2001. Around 180 SEC assignments have been carried out to date. In more than half of these assignments, **SEC experts have advised companies and organisations from the food industry and the tourism sector.** For Kosovo, these sectors, along with agriculture, are particularly suitable for SEC assignments.

The customized expertise and insight provided by the retired **SEC experts has proven invaluable to the companies involved**, going far beyond what is normally available in the local market. The personalized attention and expertise have significantly improved these companies' **operations, innovation and overall competitiveness.**

Key reflections in the use of this instrument include:

### **Direct, Practical Expertise Was Highly Valued by SMEs**

*SMEs appreciated the hands-on, tailored advice that SEC experts provided, particularly in improving production processes, quality standards, business planning, and marketing, which offered specialized knowledge helping SMEs stand out in the market. Practical solutions, not theoretical training, made SEC assignments stand out.*

### **Local Coordination and Relationship Building Were Crucial**

*The effectiveness of SEC in Kosovo depended heavily on strong local coordination. Having trusted SEC coordinators who personally scouted SMEs, understood their needs, and followed up after assignments increased impact and client satisfaction.*

### **High Potential in Smaller, Growing Firms Rather than Large Enterprises**

*The greatest successes came from working with small and medium-sized businesses with strong motivation but limited resources, rather than larger firms, which often had access to other forms of support.*

### **Sector Focus Helped Build Reputation**

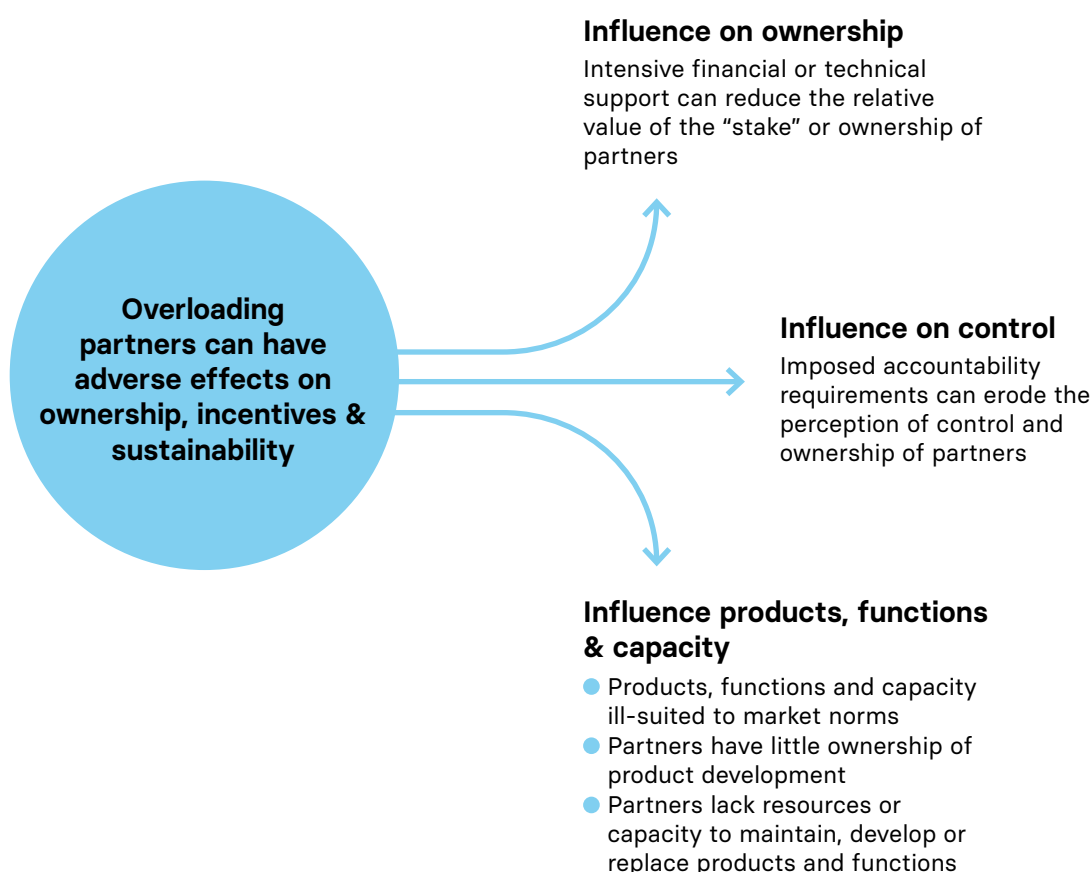
*Working consistently in key sectors like food processing, hospitality, and manufacturing allowed SEC Kosovo to build a strong local reputation and trust among SMEs in these industries.*

### **Sustainability of SEC Services Beyond Swisscontact**

*While SEC is well anchored within Swisscontact, its long-term sustainability depends on whether similar services emerge locally. In Kosovo, few alternatives exist, meaning SEC risks remaining a standalone service. To ensure lasting impact, future efforts should focus on anchoring SEC-like services within local organizations — such as business associations or consulting networks — that have a clear business interest in continuing the model. Monitoring the market and building local capacity are key to embedding expert support beyond Swisscontact's direct involvement.*

## 4.3 Partners and Relationships

As confirmed above PPSE worked with a range of different types of organisations each with different sets of incentives and capacity considerations. Consistent with its market development objectives – of leverage and crowding in – PPSE was **acutely aware of the need to ‘right-size’ the support it offered to the situation of the partner**. As shown in the figure below overloading expectations and/or resources onto partners can negatively impact issues of ownership, control and scope of legitimate expression of partner organisations.



Key lessons learnt by PPSE in working with Public Institutions and Sector Associations in particular are reflected below.

### 4.3.1 PPSE's Approach to Working with Public Institutions

Throughout its implementation, PPSE project **maintained a principled and facilitative approach to working with public institutions at both central and local levels**. Rather than imposing external agendas, PPSE actively supported and aligned with the visions and strategic objectives of institutions such as the Ministry of Industry, Entrepreneurship and Trade (MIET), Ministry of Environment Spatial Planning and Infrastructure (MESPI), Kosovo Agency of Statistics (KAS), Kosovo Investment and Enterprise Support Agency (KIESA), municipalities, and sector associations. This approach recognized the importance of ownership, sustainability, and systemic change, ensuring that interventions were demand-driven rather than donor-driven.

PPSE was fully aware of the **risks of donor-dependency**, a common challenge in development cooperation—and took deliberate steps to avoid creating transactional relationships with public counterparts. Instead, the **project invested in building trust-based partnerships**, where technical support, strategic advice, and capacity-building were provided without fostering over-reliance. By positioning PPSE as a partner rather than a patron, PPSE enabled institutions to **retain agency over their processes** while benefiting from targeted expertise and facilitation.

PPSE was careful to maintain an appropriate **distance from public officials to preserve impartiality and avoid political capture**. PPSE's support often involved second-line facilitation: for example, assisting in the drafting of key policies such as the National Tourism Strategy and the administrative instructions for adventure tourism safety standards, while ensuring that institutions led the public consultation and adoption processes themselves. For example, it worked with the Association of Kosovo Municipalities (AKM) to build a nationwide database of tourism actors, creating resources to be maintained and updated beyond the project's lifespan.

Another **key principle was to adapt support based on institutional maturity**. Where public sector partners demonstrated readiness, PPSE took a lighter facilitation role; where capacity gaps existed, more intensive mentoring and technical assistance were provided, always with a clear exit strategy. Overall, PPSE's engagement with public institutions was **not about substituting their role but about strengthening it**.

A summary of key lessons from working with public institutions include:

### **Ownership and staff motivation are decisive**

*Partnerships with municipalities were most successful where there was strong local ownership and staff with high will—such as the case of Peja, where joint development of tourism products demonstrated clear results and impact. However, attempts to replicate this model in Prishtina, supporting the municipality to build a development vision in the tourism sector, through external expertise, lacked a strong ownership by the municipality. As a result, initiatives such as setting up a tourist information point or finalizing an adventure park—which were completed quickly in Peja—due to the interest and ownership of the Mayor, but also because tourism sector was a priority for the Peja municipality, have been delayed beyond initial planning in the case of Prishtina, due to lack of strong ownership but also prioritizing tourism for the municipal development during the earlier phases of PPSE.*

### **Choice or Mandate?**

*In the tourism sector cooperation with government institutions was mandatory due to the need of developing tourism products in public spaces and complexities of the tourism sector being a cluster of different subsectors and services.*

### **Be mindful of pay gaps and approach as equals**

*PPSE was always conscious of the difference between the aim to provide ownership to the local public officials, and their views on the cooperation, including any differences they may perceive on the role and compensations of international development staff compared to local public officials. To avoid any perceptions of arrogance, the team emphasized humility and partnership-building, working side-by-side with counterparts as equals and respecting their realities and constraints.*

### Align interventions to institutional absorptive capacity

*One-size-fits-all approaches were avoided. In tourism, despite systemic support, the number of central government officials dedicated to the sector remained low (three officials over many years), limited by broader public administration reform needs. Similarly, while collaboration with the Kosovo Agency of Statistics (KAS) resulted in clear behaviour change—with KAS now regularly producing aperiodic and annual tourism statistics, the number of staff dedicated to this function did not increase. Recognizing these limits, PPSE shifted its emphasis toward working with municipalities, to support their vision for local economic development, where change could happen faster, and direct collaboration produced more tangible results. Moreover, toward the final phase of the project, municipalities have shown a clear tendency to strengthen their institutional commitment to tourism—some of them by increasing the number of officials dedicated to the sector, and others by establishing dedicated tourism directorates for tourism development.*

### Navigating rapid political changes

*Throughout its 12-year implementation, PPSE demonstrated remarkable resilience and adaptability amid Kosovo's highly unstable political environment, where no government until recently completed a full four-year term and cabinet tenures averaged just 240.9 days as of 2020—well below European standards. PPSE strategically cultivated trust not only at the ministerial level but critically among the civil servants and technical staff who remained in place across successive administrations. By building strong working relationships with these mid- and senior-level professionals—many of whom were central to shaping ministerial agendas—the project was consistently able to re-establish credibility and cooperation when new ministers took office. In several instances, incoming ministers explicitly stated their willingness to collaborate with Swiss-contact, underscoring how PPSE's institutional reputation and relational continuity functioned as an anchor of stability in a politically volatile system. This continuity ensured policy engagement, reform momentum, and sectoral support even during periods of transition, allowing PPSE to advance strategic interventions without being derailed by frequent changes in political leadership.*

#### 4.3.2 PPSE's Approach to Working with Sector Associations

PPSE's work with sector associations was grounded in the understanding **that many such organizations in Kosovo were donor-initiated, dependent on external funding, and often struggled with limited membership contributions.** From the outset, PPSE approached these partnerships with caution, aiming to avoid reinforcing donor dependency. Instead of acting as a simple source of funding, PPSE positioned itself as a long-term facilitator focused on catalysing sector transformation. The project's priority was **not to subsidize operations, but to support associations that demonstrated vision,** strategic orientation, and potential for sustained sector coordination and service provision.

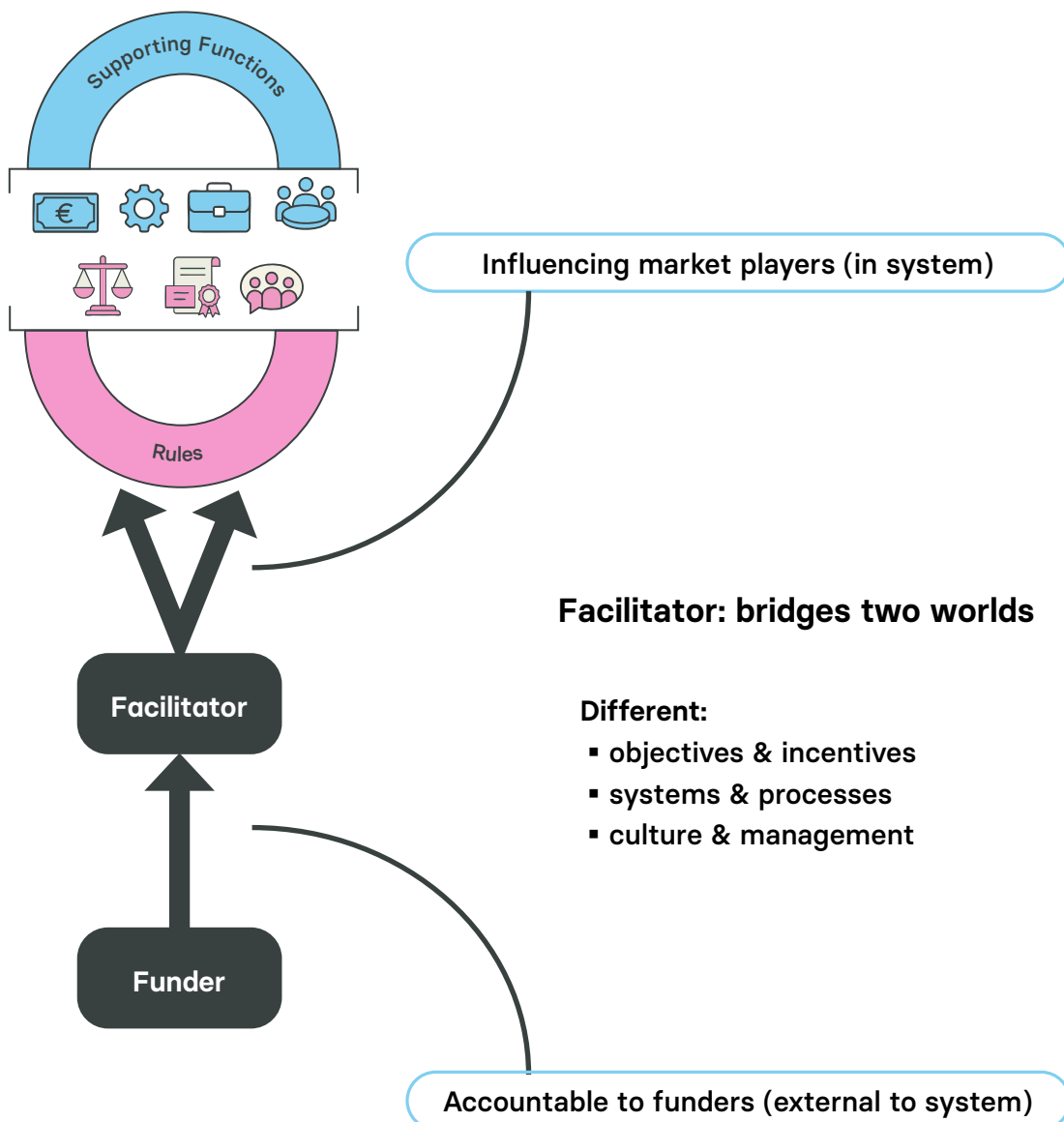
PPSE first **invested in building its own reputation** - ensuring that sector associations saw it not as a donor that offered "easy money" but as a credible, demanding partner focused on impact. This **credibility** helped shift expectations and set a collaborative tone.

PPSE also recognized that the systemic role of associations extends beyond service delivery. In sectors like tourism, for instance, associations such as the Kosovo Tourism Union (KTU) played a critical role in promotion and coordination. Here, PPSE emphasized **branding, strategic planning, and international positioning** as avenues where associations could contribute without necessarily needing a large membership base or full financial independence.

In the final phase of the project, PPSE shifted focus toward **supporting associations in developing sustainability and organizational growth plans**. This included practical guidance on how to diversify funding sources, improve member services, strengthen internal governance, and explore business models for long-term resilience. By doing so, PPSE aimed to leave behind not just **functioning associations**, but **capable institutions equipped to navigate a post-donor environment**.

## 4.4 Organisation and Management

As shown in the figure below working as a market facilitator means PPSE needs to be a 'bridge between two worlds'. This is full of potential challenge and compromise. It needs to work effectively and be accountable to its funders – in this case the Swiss Government. At the same time, it **needs to be able to work effectively, and be accountable to, market players** – partners and stakeholders from public and private sectors in Kosovo. Each has very different objectives and incentives, systems and processes and culture and management.



How PPSE responded to this challenge is framed and reflected upon below.

#### 4.4.1 PPSE's Systems and Processes

From the outset, PPSE invested in **systems that enabled adaptation**. Initially, the project operated with more structured, hierarchical approval mechanisms and externally driven designs. Over time, these gave way to more **dynamic, iterative processes that emphasized learning, responsiveness, and local ownership**.

One early decision that shaped this evolution was the deep involvement of staff in market assessments, supported by continuous backstopping support and guidance by the Swisscontact senior trainers, especially in the first years of the project. Unlike typical development practice where international consultants diagnose and recommend, PPSE staff actively conducted interviews, contributed insights, and pushed back on gaps in analysis. In fact, **during the tourism market assessments, staff contributions were so substantive that the international expert handed over the finalization of the report to the team**. This set a precedent: **PPSE staff were not passive recipients of recommendations but active co-creators from the start**. This also helped ensure that ownership over intervention logic was baked into implementation, not layered on afterward.

As the project matured, intervention planning became increasingly grounded in field realities and informed by regular anchoring strategy reviews and adaptive steering. **Delivery processes became more efficient and nuanced** - moving from linear rollouts to phased testing, feedback, and scaling. The coaching platforms, tourism product development, and certification partnerships all followed this test-adapt-consolidate logic.

A particularly strong process was the strategic due diligence applied to partners. Staff were encouraged to "ask around," and the process **prioritized alignment with long-term vision over short-term interest in donor funding**.

The Monitoring and Results Measurement (MRM) **system within PPSE was built on a structured approach**, incorporating weekly team meetings and semi-annual sector reviews to channel performance and impact data into project and sector-level decision-making. According to the 2020 DCED audit<sup>14</sup>, the system was clearly defined and well-integrated into project management, with staff at all levels able to explain and apply MRM processes to adapt strategies and improve outcomes. Intervention plans included detailed results chains, projections, monitoring frameworks, and systemic change tracking using the AAER framework<sup>15</sup>.

The MRM function was adequately resourced, with dedicated human and financial support. A full-time MRM specialist led the system, coordinated impact assessments, and supported sector teams, with additional backstopping from Swisscontact's regional MRM advisor when needed. **Staff had received relevant training and had sufficient time and capacity to perform MRM-related tasks**. Roles and responsibilities were clearly articulated in job descriptions, ensuring alignment and accountability across the team.

Importantly, PPSE's MRM practices achieved a compliance score of 97% on 'must' and 94% on 'recommended' criteria in the DCED audit, reflecting the **robustness of the system and the project's strong culture of evidence-based learning**. The system enabled regular tracking of both intended and unintended effects, supported the disaggregation of gender-specific results, and informed real-time management decisions. Semi-annual sector reviews provided opportunities to revise results chains and intervention strategies, reinforcing PPSE's commitment to adaptive management and systemic change.

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14 [Auditors' Report for PPSE Kosovo on compliance with the DCED Standard for Results Measurement](#)

15 [Adopt-Adapt-Expand-Respond: a framework for managing and measuring systemic change processes](#)

Key reflections from the PPSE team in respect of systems and processes needed as a market facilitator include:

### **Flexibility to events is critical**

*Initiatives sometimes resulted from the market dynamics and had to be reactive. With a long project duration, market dynamics had gone through several bigger changes and market shocks, such as Covid-19, or inflationary periods and uncertainties due to the war in Ukraine. The team acted flexibly and adapted to the changes, often reacting with a sense of urgency.*

### **Responsive to the Kosovan Context**

*In Kosovo's context—where failure is often seen as unacceptable, PPSE stood out by embracing flexibility and using failure as a tool for learning. A clear example was the early attempt to set up a Destination Management Organization (DMO) through a top-down model. The team clearly learned a lot through this process, including political will and appetite at local level, and in terms of what works best when it comes to product development and destination management. This was replaced with a bottom up, demand led process of strategic planning with those municipalities demonstrating the most interest in the sector.*

### **How much visibility is enough?**

*External visibility presented opportunities for stronger project visibility leverage moving forward. Swisscontact's culture of facilitative focused work that may be observed as "working without being seen" became a norm for behind-the-scenes facilitation. While this supported ownership by local actors, it was not the intention of PPSE to position staff as thought leaders to influence broader development narratives—particularly through media or public speaking, to avoid positioning the project team as direct market actors, but this could have contributed to increased visibility on the PPSE work. The primary objective of the PPSE work was on the systemic sustainability of sector changes, rather than on the visibility of PPSE work.*

### **Strategic communication is an asset**

*More structured external communications and MEL learning moments could have enabled the project to showcase its strategic thinking more proactively, to further influence scale of changes that were supported, but the project's focus was to deliver high quality facilitation and only promote strategic visions after they were piloted and proved to have potential for scale and success.*

### **Purposeful monitoring**

*Striking the right balance between attribution and contribution in MRM: Perfecting the MRM system requires moving beyond a narrow focus on quantifying precise attribution. While credible data is essential, overemphasizing numerical accuracy can risk obscuring the broader picture. Equally important is cultivating honest, reflective conversations about the changes observed, what has shifted, what has driven these shifts, and how the program may have contributed. This perspective opens space for exploring complementary approaches that capture complex patterns of change, such as Outcome Harvesting, which may offer useful insights for other MSD programs seeking to understand their influence beyond what is typically captured in logframes.*

#### 4.4.2 PPSE's Organisation and Management

PPSE's **internal management culture was a defining feature** - and a key reason for its stability and staff retention. The team fostered a professional but warm environment rooted in **mutual respect, openness, and learning**.

A flat structure emerged over time. In early phases, management was more hierarchical, with heavy oversight. But by Phase II, the leadership team had intentionally shifted toward a flatter model, with engaging leadership of shared decision-making. **Staff were given ownership over their portfolios, encouraged to shape and revise interventions, and trusted to manage partnerships end-to-end**. This shift was not only managerial - it was cultural. In a context like Kosovo, where hierarchical leadership is the norm even in NGOs, this level of trust and autonomy was rare. It enabled the team to operate with vision, creativity, and personal investment.

Colleagues also emphasized the importance of a clear boundary between the personal and professional. This helped foster open, constructive debates without interpersonal tension. The management style - anchored in an open-door approach - allowed for frequent informal problem-solving and mentoring. **Anyone could walk in and challenge an idea, seek input, or raise concerns**.

And yet, even this positive culture came with a caution:

- One team member noted that the internal culture was "almost too good," referring to decent work benefits, **open management, and collegiality**. While these were valuable, they may have inadvertently created a comfort zone. As the project neared its end, there was a need to remind staff that such work cultures are not the norm elsewhere—and that adaptability to other organizational environments is critical for future growth.
- Teams specialised and professionalised in the sectors and areas that they worked. Critical discussion across teams were exercised in weekly meetings - however, looking back, **strengthening and cultivating critical discussions**, e.g., through rotation of sector teams, to nurture cross-sectoral knowledge and more critical dialogue and internal debates on strategic direction - can make the challenge function more robust.
- Promotion pathways, while merit-based, were at times constrained by low staff turnover and budget limitations. PPSE **structure gradually evolved across phases, with more senior leadership roles being introduced** in the structure (evolution to project director and project manager roles, as well as sector leaders). In addition, in the last phase, internal succession created room for career advancement of the project team (e.g. when the Swisscontact Kosovo Director transitioned, few PPSE staff were promoted to fill strategic leadership roles: Country Director, Project Manager, Sector Lead, reflecting both team growth and strengthened internal capacity). Regional and international promotion opportunities were based on opportunities arising, also due to the limited functions in such structures, although the PPSE communications specialist was promoted to the role of the Regional Communications Manager, as a shared role with the PPSE project. Staff were **encouraged and supported to participate in trainings relevant to their professional function and future development themes**, but due to the nature of project timelines, often had to define their own vision and self-navigate growth, though PPSE highly encouraged and highly supported these efforts when initiative was shown.

What held the system together, and **made it more than the sum of its parts**, was the developed culture of the team itself. PPSE attracted, retained, and developed a group of professionals who not only executed, but evolved.

The team entered with strong technical experience but gained systemic thinking skills over time. Multiple staff mentioned that **their most important growth was learning how to view problems through a market systems lens**, addressing root causes rather than symptoms, and designing interventions that unlock change beyond direct implementation. **Skills in negotiation, facilitation, and deal-making**, rarely emphasized in traditional project delivery, became everyday competencies. The organisational structure supported this learning. The **low barriers between sectors and functions enabled cross-pollination of ideas**.

# 5

## Key Forward-Looking Recommendations

# 5

## Key Forward-Looking Recommendations

The Tourism sector has undergone a significant transformation over the past decade, moving from a nascent, informal sector to increasingly growing with high potential. This progress, captured through sector data, analysis, and the experiences of key actors, provides a strong foundation for the future while also highlighting the challenges and opportunities that remain.

What emerges consistently from this evidence, and was further reinforced by the perspectives of service providers, tour operators, associations, government representatives, academia, and development partners during the capitalization and knowledge-sharing process, is a shared commitment to ensuring that Kosovo's tourism sector continues to grow in a way that is competitive, innovative, and inclusive. Stakeholders agree that joint efforts will be essential in areas such as local investments, destination promotion, sustainable development, certification, and skills development.

The recommendations that follow bring together insights from sector performance data, stakeholder experience, and analytical work, and were validated through the feedback and discussions at the convening panels and round-table discussions. They are not directives but rather an invitation to all stakeholders to engage in shaping the sector's next steps. By aligning efforts around these shared priorities, the sector can strengthen its foundations, seize new opportunities at home and abroad, and position Kosovo as a recognized tourism destination.

### Product Development & Diversification

- **Diversify tourism offerings across all regions:** Stakeholders can work together to develop new and varied experiences, from adventure and culinary tourism to health, architectural, and cultural tours, so that each region's unique assets are identified and showcased in the national portfolio. This collaborative diversification will ensure visitors have many reasons to explore different parts of Kosovo and local strengths are fully utilized (as one panelist noted, even niche assets should be "given value" through tourism).

- **Encourage multi-destination itineraries within Kosovo:** Tour operators, municipalities, and communities could coordinate to link attractions into combined travel routes, inviting tourists to visit multiple areas in one trip. For example, a visitor might spend a day hiking in Peja, then enjoy a culinary tour in Gjakova, visit Prizren during Dokufest, and attend a festival in Prishtina, rather than staying in a single location. This approach builds on the project's successful model of getting tourists to go *beyond one place*, spreading benefits across cities and towns. By packaging experiences jointly, every municipality (even those previously "off the map") can take part in the growing tourism market.

## Workforce & Skills Development

- **Invest in human capital for tourism:** It is crucial to expand training and education so that the sector has the skilled workforce it needs as it grows. This means aligning vocational programs and curricula with the skills demanded by tourism in each region, and actively involving institutions like vocational schools and universities in that alignment. By improving professional training for roles such as tour guides, hospitality managers, and adventure instructors, we can ensure service quality meets international expectations. There is also an opportunity to tap into underutilized labor pools, for example, engaging more youth and women in tourism careers. Many women remain outside the workforce in Kosovo, and bringing them into tourism jobs (with proper training and certification support) would not only fill skill gaps but also promote gender inclusion in the industry. All stakeholders (public agencies, private businesses, and educational institutions) are encouraged to collaborate on building these capacities at every level so the sector's growth can be sustained by qualified, professional personnel.

## Sustainable & Inclusive Tourism

- **Make sustainability a shared priority:** To secure long-term growth, Kosovo's natural and cultural heritage must be protected even as tourism expands. Participants highlighted that the country's environmental management needs to keep pace with visitor growth. This means working together on issues like waste management, preserving sites, and ensuring tourism development is eco-friendly. For example, uncontrolled seasonal building or activity (such as large diaspora-driven venues that operate only a few months) can lead to pollution, landscape degradation, and other unsustainable outcomes. By planning carefully and adopting green practices now, stakeholders can prevent these problems, ensuring that popular destinations do not become overcrowded or harmed. In practical terms, this could include enforcing environmental standards for tourism businesses, guiding investments to avoid sensitive areas, and promoting Kosovo's unspoiled nature as an asset to be respected. Protecting the environment in this way will allow the sector to *continue* developing confidently, knowing that growth isn't undermining the very resources that attract visitors.
- **Promote inclusive tourism benefits for communities:** The tourism sector should consciously include a wide range of local communities so that its benefits are broadly shared. There are opportunities to involve rural areas, minority ethnic communities, and other groups in creating and managing tourism products. For instance, community-based tourism initiatives (homestays, guided village tours, cultural performances, etc.) could be supported to give visitors authentic experiences while directly benefiting local families. Stakeholders noted that

many municipalities and communities that once saw no role for themselves in tourism are now eager to participate as they witness neighboring areas profiting. By expanding outreach and capacity-building to these communities, stakeholders can ensure that tourism growth is equitable and inclusive. This means not only increasing employment opportunities locally but also involving community representatives in planning discussions. An inclusive approach will strengthen social support for tourism development and enrich Kosovo's overall visitor experience with more diverse voices and stories.

## Sector Coordination & Enabling Environment

- **Strengthen coordination between central and local authorities:** Better coordination mechanisms can help align national strategy with local action, avoiding gaps or overlaps in tourism efforts. Stakeholders suggested creating formal channels for dialogue (for example, through the Association of Kosovo Municipalities or a dedicated tourism council) where municipalities and the national ministry regularly share plans, data, and best practices. One idea raised was to establish a **tourism office or focal point in every municipality**, which stakeholders agreed would be "a must-have" to make each city/town ready to welcome tourists. Such local tourism offices could work closely with businesses and community groups on the ground, while also liaising with central institutions, ensuring that even smaller municipalities receive guidance and can contribute to Kosovo's overall tourism offer. With a more synchronized approach, resources can be used efficiently and every region can plug into the broader marketing and development initiatives.
- **Support and leverage industry associations and partnerships:** Tourism stakeholders emphasised the value of collective action through organizations like the Kosovo Tourism Union, Chamber of Tourism and Hospitality, GuideKS and other associations. These bodies should continue to be supported as coordinating platforms for the private sector and as bridges to government. By working through associations, tourism businesses can speak with a unified voice on common needs (training, marketing, standards, etc.) and pool resources to address them. For example, the union and hotelier association have in a short time played an important role in promoting Kosovo and advocating for the sector's interests to policymakers. Similarly, the two guide associations (for mountain and cultural guides) have managed to join European-level networks and are actively exchanging knowledge to raise professionalism in guiding. Strengthening these networks and fostering new ones where needed will invite more stakeholder engagement. Moving forward, joint public-private working groups (including NGOs and academia) can be formed under these associations to tackle specific issues (such as quality standards or product development), ensuring that the momentum created by PPSE's facilitation is maintained through local ownership and partnership.
- **Fully implement the new policy framework with stakeholder input:** Kosovo's government has put in place a modern legal and strategic framework for tourism (a national strategy and a new Tourism Law aligned with EU directives). The next step is to actively implement and enforce these policies in collaboration with industry stakeholders. Stakeholders have highlighted areas like adventure tourism safety where multi-party cooperation has already led to concrete results, for example, the MIET working with the Mechanical Engineering Faculty and private experts to develop and adopt European-standard safety and maintenance guidelines for adventure attractions. Similar collaborative implementation should continue for all bylaws

and standards under the new law, so that regulations are not just on paper but improving real practices (e.g. accommodation classification, guide licensing, environmental protections). By involving businesses, municipalities, and academia in this process, policies can be continuously refined and kept relevant to on-the-ground realities. A well-implemented policy framework will provide clarity and confidence for investors and operators, ensuring fair rules while safeguarding quality for tourists.

- **Adopt sustainable financing tools for tourism development:** To maintain an *enabling environment* for tourism, stakeholders can explore dedicated funding mechanisms that channel resources back into the sector. One promising idea is the introduction of local **accommodation taxes** (tourist bed-night fees) by municipalities – an approach being piloted in at least one city and under consideration by others. Such local revenue tools, if designed and managed collaboratively, can equip municipalities with funds to reinvest in tourism infrastructure, services, and promotion in their area. For example, revenue from a modest per-night tourist levy could help a town improve visitor signage, maintain trails, keep sites clean, or support local events – initiatives that directly enhance the visitor experience and encourage longer stays. Tourism actors noted this as a very positive step, since it strengthens the sector's long-term sustainability by reaping and redistributing some benefits of tourism growth. Stakeholders should work together on the feasibility and fair implementation of such measures (learning from the pilot municipality's experience) to ensure transparency and buy-in. In parallel, continuing to attract support from development partners and using public investment to co-finance tourism projects (as was done through PPSE) will remain important. Combining public, private, and donor funding in a strategic way will maximize impact and help the sector continue to thrive even after donor projects conclude.

## Marketing & Regional Integration

- **Collaborate on international marketing and branding:** All actors should unite in promoting Kosovo's image and offerings in target markets abroad. This includes continuing the joint attendance at major travel fairs (like ITB Berlin and WTM London) and organizing roadshows that was mentioned as a success of recent years. With support from agencies such as KIESA, Kosovo's tour operators can present a unified, compelling story to international buyers. One highlight is that Kosovo is gaining recognition for its authenticity, competitive prices, and the fact that it is not yet over-crowded – a *big plus* for visitors seeking new destinations. These selling points should be front and center in Kosovo's branding. Additionally, inviting more travel journalists and bloggers to experience Kosovo has proven effective and should be expanded. First-hand positive media coverage (as seen in **Financial Times**, **National Geographic**, and Euronews reports on Kosovo) builds credibility and interest among global audiences at a scale that individual advertising might not achieve. A coordinated PR effort, perhaps through an official "Visit Kosovo" platform supported by both government and industry, can ensure that such initiatives continue. By pooling stories, visuals, and marketing budgets, stakeholders will get better reach than by acting alone.
- **Embrace digital tools to boost visibility and bookings:** It has been emphasized how important it is for Kosovo's tourism sector to be easily found and booked online. Considerable progress has been made in recent years, for instance, there are now over 1,000 local accommodation units listed on Airbnb, and many points of interest have been added to Google Maps and other travel platforms. Building on this foundation, stakeholders should further invest in digital marketing skills and infrastructure. This could involve training small business owners in online

promotion and reservation management, improving destination websites, and ensuring accurate, enticing information about Kosovo is available on all major travel sites. By increasing the collective digital presence, it would be simpler for international travelers to discover Kosovo's experiences and plan their trips with confidence. Embracing innovations like virtual tours, social media campaigns targeting the diaspora and regional visitors, and perhaps a centralized booking portal for multi-stop Kosovo itineraries could all be explored. A more **digitally savvy** sector will also be more resilient, as it can adapt quickly to shifts in how travelers research and purchase their trips.

- **Integrate Kosovo into regional tourism circuits:** Rather than positioning Kosovo as a lone destination, stakeholders see great value in collaborating with neighboring countries to offer joint itineraries. In practice, this means our tour operators and tourism agencies partnering across borders (with Albania, North Macedonia, Montenegro, and beyond) to create packages where each country contributes its best attractions. Kosovo, for example, could be marketed as the **"adventure and culture add-on"** in a Balkans tour – offering superb hiking, unique traditions, and hospitality as part of a broader regional journey. By viewing Kosovo as *part of a larger regional experience*, it will tap into a much bigger pool of potential visitors who are interested in multi-country trips. It was mentioned that a successful company shouldn't see Kosovo in isolation, but as a piece of a wider tourist region in which each part offers something distinctive. Importantly, this strategy can increase Kosovo's tourism revenue export. If Kosovo operators take the lead in selling regional tours, the country can capture a portion of earnings from travelers who might initially be coming to the neighboring countries. (As was pointed out, when a Kosovar operator packages the entire region, about 30% of the trip value can remain in Kosovo as income.) Concrete steps could include developing cross-border trail networks, mutual promotion of each other's sites, and harmonizing standards (e.g. a unified Balkan visa or joint marketing campaigns) to make combined travel seamless. By championing regional integration, Kosovo's sector players invite collaboration rather than competition, a forward-looking approach that can dramatically raise our profile and visitor numbers in the coming years.

Each of these thematic recommendations was generated and validated through a process of collaborative discussions, and they are intended to invite **all tourism stakeholders** to participate in shaping Kosovo's next decade of tourism development. By working in partnership, across government, private sector, communities, and international partners, Kosovo can capitalize on the progress made so far and address remaining challenges in a spirit of shared responsibility. The capitalization process was optimistic and inclusive: **the future of tourism in Kosovo is in its stakeholders' hands, and by acting together on ideas like the ones above, they can ensure that the future is bright, sustainable, and beneficial to all.**

# Annex 1: Direct results of PPSE (Tourism Sector) in all 3 phases

Net additional employment

**1,608**



Number of women and men decently employed

**4,189**



~40% Women

~15% Non-majority communities

Additional net income of individuals and self-employed:

**CHF 5M**



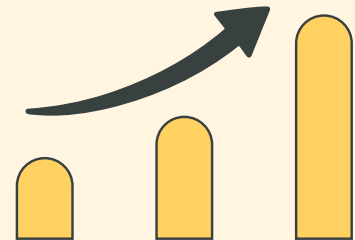
**611**

Small and medium-sized enterprises (SMEs) benefitted



Additional net income of SMEs:

**CHF 3.5M**



Additional investment for new products/services by SMEs:

**CHF 4.21M**



New and improved products/services introduced by SMEs

**310**



