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SUMMARY OF METHODOLOGY

GENDER ANALYSIS ON THE INFORMAL ECONOMY IN KOSOVO

INTRODUCTION

As the Government of Kosovo has observed, the informal economy continues to have “a negative effect on revenues for the Kosovo budget, unfair competition, and undeclared employment”.¹ Although several policies seek to address informality,² none are based on sufficient gender analysis. Meanwhile, the Government of Kosovo has committed to conducting gender analyses to inform all laws, policies, and programming³; and the European Union (EU) has committed to supporting the development of sector-specific gender analyses to inform its programming in the [EU Gender Action Plan III](#).⁴ Kosovo has prioritized addressing the informal economy in consecutive European Reform Agendas, and the most recent Economic Reform Programme foresees an analysis to inform these efforts. Indeed, Kosovo lacks accurate data on gender differences in the informal economy and in time use. Gender analysis is essential for informing government laws, policies, and programmes to address the informal economy and foster inclusive economic growth while ensuring a “do no harm” approach. Specifically, this research aims to inform the government’s strategies to address the informal economy, and other economic development strategies, particularly in the context of EU Accession and mitigating the effects of the COVID-19 pandemic.

The Kosovo Women’s Network (KWN) is part of a Regional Coalition for Gender Equality in the EU Accession Process (EQUAPRO), co-funded by the EU and Swedish International Development Cooperation Agency (Sida). This Action includes collaborating with the EU and government stakeholders to conduct gender analyses in sectors where insufficient analysis exists, towards implementing GAP III and informing EU-supported programming. Consultations with the EU and government stakeholders have revealed that the informal economy is an area where gender analysis is urgently needed, particularly to inform ongoing legal and policy reforms. Therefore, in the spirit of GAP III’s commitments to coordination, the EU, Sida, and the Food and Agriculture Organization of the United Nations (FAO) have agreed to pool resources to support a much-needed “Gender Analysis on the Informal Economy in Kosovo”. The EU and Sida are funding the research generally, including the survey in urban households, whereas FAO is financing the survey in rural households as part of its broader support to KWN for a separate “Assessment on digital agriculture, gender and youth in rural Kosovo for economic inclusiveness”. The questions asked related to the informal economy in urban and rural households will be asked in the same

¹ Office of the Prime Minister, [National Development Strategy 2016 -2021](#), 2016, p. 27.

² Ministry of Finance, [National Strategy of the Republic of Kosovo for the Prevention and Combating of Informal Economy, Money Laundering, Terrorist Financing and Financial Crimes 2019-2023](#), 2019; Office of the Prime Minister: Kosovo Agency of Statistics, [Programme for official statistics \(2018 – 2022\)](#), 2017; Government of Kosovo, [Economic Reform Program 2020-2022](#), 2020.

³ Office of the Prime Minister, [Better Regulation Strategy 2.0 for Kosovo 2017-2021](#).

⁴ Council of the European Union, [Commission Staff Working Document Economic Reform Programme of Kosovo \(2019-2021\) Commission Assessment](#), 2019.

way, using the same methodology, enabling comparability. The overall aim is to support the Government of Kosovo and EU by providing needed gender analysis that can inform laws, policies, and programmes towards addressing the informal economy using a gender-transformative, “do no harm” approach. This document summarises the methodology.

METHODOLOGY

In this research, the “informal economy”, also known as the “grey” or “shadow economy”, refers to all economic activities conducted by workers that are uncovered or insufficiently covered by formal arrangement. The International Labour Organization defines the informal sector as one in which labour relations are based mostly on casual employment, kinship, or personal and social relations rather than contractual arrangements with formal guarantees. This includes work in both formal and informal sectors, enterprises, and households.

Research Questions

The overall research question is: How do diverse women and men’s involvement in the informal economy differ? Key sub-questions include:

- To what extent does the legal and policy framework towards addressing the informal economy involve a gender-transformative approach, and how can this be improved?
- What are diverse women and men’s perceptions related to the informal economy?
- How do diverse women and men use their time in paid and unpaid work, as well as in social and political activities in rural and urban households, and what does this tell us about informality?
- How has COVID-19 impacted income generation activities at the household level, particularly related to the informal economy?
- Which strategies could be helpful for addressing the informal economy, using a gender transformative approach?

Research Methods and Data Sources

The research will involve an intersectional and gender-transformative approach that considers the positions and needs of diverse women and men. The research will involve mixed methods, which can contribute to validity through triangulation of different researchers, methods, and data sources, including:

- A desk review of existing literature, institutional data, and statistics.
- A representative Kosovo-wide face-to-face household survey using multi-staged random sampling with approximately 1,603 adult women and men of all ethnicities. The survey will use Eurostat and European Institute for Gender Equality questions pertaining to time use, labour, health, and safety at work, enabling comparisons with other countries.
- Focus groups conducted with diverse women and men in different geographic regions.
- In-depth interviews with diverse women and men, including key informant interviews with relevant officials at local and national levels; civil society organisations; and knowledgeable experts.

The household survey will be conducted in March 2022, with the gender analysis on informal economy completed in fall 2022.

CONTACT

For further information about the gender analysis or the full methodology, please contact Nicole Farnsworth, KWN Program Director and Lead Researcher: nicole@womensnetwork.org.