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SECOND KOSOVO WOOD INDUSTRY CONVENTION REPORT

A SUCCESSFUL CASE OF USAID-EU COOPERATION

The convention was a joint collaboration between USAID EMPOWER Private Sector Kosovo (co-funded by SIDA), the EU-funded ICEP project, and the Association of Wood Producers of Kosovo (AWPK) and was supported by the Ministry of Trade and Industry (MTI) and the Kosovo Investment and Enterprise Support Agency (KIESA).



The Second Kosovo Wood Industry Convention (from left to right): Ms. Flora Arifi, Project Management Specialist in the Economic Growth Office at USAID; Ms. Corinne Deleu, Trade and Internal Market Task Manager at the EU Office in Kosovo; Ms. Lisa Magno, USAID/Kosovo Deputy Mission Director; Ms. Arieta Vula Pozhegu, Director of AWPK; Mr. Ramush Haradinaj, the Prime Minister of Kosovo; Mr. Skender Rama, EMPOWER Chief of Party; Mr. Shyqiri Bytyqi, Kosovo Minister of Education, Science and Technology; and Mr. Rexhep Ilazi, EMPOWER Competitiveness Team Leader.

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1. KOSOVO WOOD INDUSTRY CONVENTION OVERVIEW

1.1 Purpose of Wood Industry Convention

The wood processing industry is considered one of Kosovo's strategic sectors with the potential to contribute significantly to its economy and job creation. Notwithstanding the significant growth of the sector in recent years, the wood processing industry requires continued strategic support from key stakeholders, including the government, the private sector, and donor agencies. The second Kosovo Wood Industry Convention (KWIC) provides a good example of a successful cooperation among key parties, including the government and important donors.

A memorandum of understanding (MOU) between the Association of Wood Producers of Kosovo (AWPK), the USAID EMPOWER Private Sector (co-funded by SIDA), and the EU-funded Increase of Competitiveness and Export Promotion (ICEP) project set the stage for the second annual KWIC. EMPOWER and ICEP equally shared the cost of putting on the convention, while the Ministry of Trade and Industry (MTI) and the Kosovo Investment and Enterprise Support Agency (KIESA) supported the event through speakers and public relations work. The main theme of this year's convention was "Empowering Exports, Innovation and Design."

The key objective of the KWIC was to provide a networking platform for Kosovo furniture manufacturers, government agencies, donors, international buyers, and all relevant wood industry stakeholders. The convention hosted various discussion forums, where international and local experts and speakers presented on topics relevant to the wood industry. A total of 21 Kosovo wood processing companies displayed their products to the public, and students exhibited their furniture designs as part of a student design competition. Convention participants held **68 business-to-business (B2B)** meetings, and **six companies** started producing samples for export. In addition, based on information collected during the convention, companies that presented during the convention sold **€350,000** of technology. At the end of the event, convention organizers presented all students who took part in the design contest with certificates of participation; competition winners received awards.

The KWIC also included a business forum, during which Kosovo companies presented their export success stories. Another forum focused on cooperation between **universities and the private sector** as well as design trends in the global furniture market. On the second day of the convention, as part of a forum on export promotion and donor activities, experts spoke about ways to promote Kosovo products in export markets. Additionally, donor activities in Kosovo were also presented, as well as effective technologies that are used in the wood processing industry.

The KWIC sought to achieve the following objectives:

- (1) Review the current business status of the Kosovo wood industry, specifically in terms of export, innovation, and design
- (2) Expand public awareness on the importance of the wood and furniture sectors for employment and economic growth
- (3) Promote export of wood industry products

- (4) Expand public awareness of donor activities in Kosovo
- (5) Inform the public about the latest wood processing technologies

Covering a wide range of issues, as well as presenting and promoting both local designs and products, the convention offered its participants a unique opportunity to discuss, analyze, and learn, as well as a chance to establish relationships and present their products. This year's KWIC was the second iteration of the event. Event organizers aim to make the convention an annual, private sector-driven event at which Kosovo wood processors and stakeholders can meet, exchange information, and do business.

1.2 Convention Program

The two-day event took place at the Emerald Hotel in Pristina from December 6–7, 2017, and revolved around key thematic and industry-relevant forums, namely the business forum and the export promotion and donor activities forum. Alongside the forums and the B2B sessions, AWPK, USAID EMPOWER, and the ICEP project organized a product exhibition for companies and, in collaboration with Kosovo universities and colleges, coordinated a student design contest. This year's KWIC included the following core activities:

- The *business forum* and the *export promotion and donor activities forum* followed a seminar format that covered a variety of topics, including the state of the Kosovo wood processing sector; export success stories; design trends in global furniture markets; cooperation between universities/faculties and the private sector; orientation of production toward exports; donor activities in Kosovo; and effective technologies in wood processing. The forums included presenters from governmental entities, international organizations, and wood processing companies, as well as local and international experts.
- The *products display*, which was accessible to traders, the media, and all KWIC participants, was created to showcase the overall capabilities of the Kosovo wood sector and serve as a presentation area for buyers and sales agents. More specifically, the product display area showcased selected solid wood and cabinetry furniture, as well as doors, windows, and other interior design elements.
- The *B2B meetings* were organized to allow local companies to interact with each other and exchange information with local and international experts. The meetings also provided an opportunity for Kosovo producers to meet sales agents and buyers.
- The *student design contest*, which was organized in collaboration with several Kosovo universities and colleges, began well before the start of the convention. The contest showcased innovative designs created by students studying architecture, interior design, integrated design, and wood technology. An independent jury evaluated the design concepts and recognized winners at an awards ceremony during the final part of the convention.

2. BUSINESS FORUM

Participants at the business forum learned about and discussed the following key issues: how key government agencies, such as KIESA, support the wood processing sector; the general state of the Kosovo wood processing sector; export success stories; and cooperation between universities/faculties and the private sector. AWPK's executive director, Arieta Vula Pozhegu, moderated the forum, at which the following speakers presented: Besian Mustafa, CEO of KIESA; Sheqer Ukaj, owner of the Elnor wood processing company; Arben Kelmendi, CEO of Schwarzwald Massivholz; and Ekrem Shahini, owner of the Palma company.



Business forum speakers (clockwise): Arben Kelmendi, CEO of Schwarzwald Massivholz; Sheqer Ukaj, owner of Elnor; Ekrem Shahini, owner of Palma; Besian Mustafa, CEO of KIESA; and Arieta Vula Pozhegu, director of AWPK.

2.1 KIESA Support to the Wood Processing Sector

Besian Mustafa, CEO of KIESA, gave a presentation that noted the importance of promoting Kosovo products via fairs. Additionally, he emphasized brand management and support for Kosovo companies in promoting their products in relevant European showrooms; he noted that this is essential to expanding exports. He explained that KIESA provides support to interested Kosovo companies that seek to attain product certification and brand recognition. Currently, KIESA assists 12 wood processing companies to improve their production efficiency, quality management, and marketing and export development through the Company Development Programme (CDP). This program is implemented with technical and financial assistance from the ICEP project. KIESA also collaborates with EMPOWER on a number of activities, including co-

funding the attendance and exhibition of market-ready Kosovo companies at key international trade fairs.

2.2 State of the Kosovo Wood Processing Sector

During her presentation, Arieta Vula Pozhegu, AWPK's executive director, provided a timeline of when and how AWPK has supported Kosovo's wood sector. Starting in 2004, AWPK provided support to Kosovo companies involving networking opportunities, trainings, and export-oriented business connections. Foreign businesses that have chosen AWPK as their point of contact in Kosovo have gained access to the organization's resources, including business contacts, market knowledge, and sector expertise. AWPK has become a credible platform to showcase the viability of the Kosovo wood sector, including for export-related issues.

AWPK has assisted in the internationalization of Kosovo's wood industry through the promotion of at least 58 enterprises in international trade fairs and events in 2017. This assistance has resulted in contracts worth approximately €3 million. As a result of AWPK assistance, several companies exhibited at IMM Cologne in Germany in January 2017, resulting in €2 million in new contracts. Several other companies exhibited at two fairs in Albania and Macedonia in March 2017, resulting in €350,000 in contracts; and 15 companies participated in the Albanian Diaspora Union of Businesses at its Dusseldorf B2B meeting, which included 228 Albanian companies.

AWPK's executive director further explained that with the support of EMPOWER and the Swiss-funded Enhancing Youth Employment (EYE) project, they offered 61 internships in 17 companies. At the end of the internships, 80 percent of interns were subsequently offered employment. AWPK's director also noted that through an internship activity organized by the GIZ-funded Youth Employment and Skills (YES) project and supported by AWPK, around 100 individuals secured employment in the wood industry. Ms. Pozhegu also mentioned the practical advisory assistance to companies, which is provided by KIESA's CDP and conducted by ICEP. This assistance puts 12 selected companies in contact with expert consultants. A similar project on practical advisory assistance will take place in 2018 in partnership with EMPOWER.

With respect to advocacy, AWPK arranged meetings with governmental agencies and partnered with MTI in the certification process at MTI. AWPK is also part of the business forum for industrial development at MTI, and has an approved budget for two of its activities for 2018. Among other donors and development agencies, AWPK works closely with USAID, the EU Office in Kosovo, GIZ, and the World Bank by advising partners and donors on the needs of the wood industry.

Most recently, AWPK worked with ten companies to prepare them for exhibition at Swissbau and the IMM Cologne furniture fair in January 2018.

2.3 Presentation of Export Success Stories

Sheqer Ukaj, owner of the Kosovo wood processing company Elnor, presented his company's success story related to export growth. Elnor exports 35 percent of its products to Denmark,

Germany, Switzerland, Finland, Ireland, and Montenegro. The company is a participating company in a showroom in Stuttgart known as PSA (Product Sales Agent) *Schwarzwald Massivholz*.

During his presentation, Mr. Ukaj highlighted three key components of successful exportation: marketing, an action plan, and an export plan. Additionally, he noted that a company needs to have capital, know-how, contacts, and professional staff to be successful in the global market. To enter a particular product market, a company needs staff specialized in market research and skilled in creating a product with specific characteristics, product design, prototype creation, and launch and delivery. Companies aspiring to export should stay abreast of any changes in export procedures, including international transport procedures. Mr. Ukaj recommended that businesses seek help from KIESA, MTI, and AWPK to achieve their export goals.



Sheqer Ukaj, owner of Elnor, presents at the business forum.

Arben Kelmendi, CEO of Schwarzwald Massivholz, presented on the first joint Kosovo company showroom that was opened in Stuttgart, Germany, which is managed by Kelmendi Holzmöbel. Mr. Kelmendi promotes and exports Kosovo products under the brand name Schwarzwald Massivholz. For many years, Kosovo wood processing companies have struggled to access foreign markets. The opening of this showroom in Germany presents not only a vital point of access to the European market but also provides an opportunity to include improvements by

Kosovo companies in technology, quality and design. Kosovo companies Kelmendi, Elnor, Deva, Balaj, and Godzi participate in the showroom.

In September 2017, the company participated in several fairs organized in Germany, where there is high demand for Kosovo products; unfortunately, Kosovo producers are unable to meet this demand given current production capacity. In 2018, Schwarzwald Massivholz plans to open another showroom in the Stuttgart area that will target other export markets, including Austria, Switzerland, Luxembourg, and England. Mr. Kelmendi noted some key challenges hampering the ability of Kosovo producers to expand their production, such as frequent interruptions in the electricity supply, as well as visa problems that keep companies from attending international fairs. According to Mr. Kelmendi, it is difficult to penetrate a market that already has many suppliers. However, he noted that Kosovo companies had succeeded in penetrating export markets by offering high-quality products at competitive prices. The following foreign companies are awaiting products from Schwarzwald Massivholz: Diga Mobil Kika (Austria), XXL Lutz (Austria), Hofmeister (Germany), and Mobil Hesse (Germany).



Arben Kelmendi, CEO of Schwarzwald Massivholz (left), and Sheqer Ukaj, owner of Elnor (right).

Ekrem Shahini, owner of Kosovo wood processing company Palma, presented a short history of his company, with a focus on its export activities. He explained how his business started with a single product—bedrooms—and later expanded to include other products. Currently, Palma has three stores in Gjilan, Ferizaj, and Prizren, and a store in Switzerland. The company also has a factory in Gjilan. Palma products are on display in more than 40 showrooms in Switzerland, and are sold in Germany, England, Saudi Arabia, Serbia, and Macedonia. Palma will soon open a new

showroom in Pristina. According to Mr. Shahini, being successful internationally requires compliance with European design and quality standards.

2.4 Design Trends in Global Furniture Markets

Mr. Perparim Rama, CEO of 4M and world-renowned architect, gave a presentation on customer demand globally, participation in international competitions, and design trends in global markets. Mr. Rama has won international awards for his architectural work around the world; has been featured in numerous media publications; has given several TEDx presentations; and has participated in various juries and panels. During his presentation, Mr. Rama focused on what his company has worked on over the past several years, and how participation at different events has had a major effect on the company. According to him, innovative products lead to free marketing, and companies stand to benefit from that. Mr. Rama suggested that Kosovo companies should use their existing capacities to improve their approaches and use products that are made in Kosovo. He emphasized that architects and designers should experiment by focusing on originality, setting trends, and creating a brand image.

Mr. Rama presented various past projects and personal work, emphasizing that all his work is marketed as “Made in Kosova”. He believes that being original and innovative facilitates the marketing aspect, since the media is keen to write about innovations. Mr. Rama also emphasized that research and development are key to building the identity of every company.

Mr. Rama shared his own experiences spearheading innovative projects, such as the Hamam Jazz Bar in Pristina in 2010. This particular project won the first prize in London in 2013 among 1,100 other competing projects and marked a turning point for Mr. Rama’s company and its future success. The key objective of the Hamam Jazz Bar was to design an interior space using only products from Kosovo. Mr. Rama’s 4M company also executed design projects with café bar Truffle Seco and My Place Soho restaurant in London. These projects garnered Time Out Love London Awards, effectively offering free marketing to 4M. 4M went on to design Kudeta in Perth, Australia, and City Zebrano in London, UK—two upscale bar restaurants. These restaurants were fully furnished with Kosovo-made products.

4M also supports artists and designers by providing them with access to spaces where they can present their work. After 4M completes a design project and before the space is opened for business, 4M offers artists an opportunity to use the space as a gallery. Mr. Rama pointed out that while this support is a small help to new artists, the results can be fascinating. As an example, Ms. Alketa Xhafa set up her art installation in a gallery owned by Mr. Rama. The installation was recognized by the president of Kosovo, who subsequently decided to install the piece at Pristina’s football stadium. As part of the installation, dresses were hung in memory of the women raped during the war. Mr. Rama pointed out that even small projects can generate a sense of movement among people who have suffered and serve as a platform for symbolic expression.

According to Mr. Rama, while designers and architects can learn about future trends through different online platforms, they should seek to lead—and not follow—trends. 4M currently has

offices in the UK, Kosovo, Northern Ireland, and Australia. It is working on projects in Australia, Indonesia, Nigeria, the United Arab Emirates, Bahrain, Sri Lanka, Switzerland, the UK, Ireland, and the United States.



Perparim Rama, CEO of 4M Group.

2.5 Panel: Cooperation between Universities and the Private Sector

The panel on the Cooperation between Universities and the Private Sector was moderated by Mr. Rexhep Ilazi, EMPOWER's Competitiveness Team Leader, and featured the following speakers: Mr. Agron Bajraktari, the rector of the University of Applied Sciences in Ferizaj; Ms. Majlinda Sylejmani, representative of ANB Baliu and a member of the Industrial Board (established by the University of Applied Sciences); and Ms. Ryva Prekorogja, representative from the Ministry of Education, Science, and Technology (MEST).



Panelists (left to right): Ryva Prekorogja, representative from MEST; Majlinda Sylejmani, representative from ANB Baliu; Agron Bajraktari, rector of the University of Applied Sciences in Ferizaj; and Rexhep Ilazi, EMPOWER Competitiveness Team Leader.

Mr. Agron Bajraktari, the rector of the University of Applied Sciences in Ferizaj, presented on the cooperation between the university and the private sector, specifically the importance of developing learning strategies that are in accordance with market needs. Mr. Bajraktari gave a thorough timeline of the founding of the University of Applied Sciences in Ferizaj, which previously existed as a professional educational institution that was founded in 1976. With the support of stakeholders and municipalities, the university was founded in 2015 as the first in applied sciences and the only university that focuses on the wood industry.

Mr. Bajraktari noted the importance of educational institutions in fostering close links with the private sector and industry. He also argued that the high-quality teaching offered at the University of Applied Sciences is the result of strong relationships with both private and public sectors. He highlighted that a critical feature of his university's approach is to offer students an opportunity to enroll in an internship within the wood industry. Currently, the university has made over 50 internship and research and development agreements with companies; these pacts include an agreement to implement concept ideas that students develop while at school.

Mr. Bajraktari noted that the university seeks to collaborate closely with the Industrial Board by offering advice on the development of curricula that are in alignment with market needs. More than 50 Kosovo wood processing company owners are members of the Industrial Board, and the university's learning agenda is developed according to member needs.

Ms. Majlinda Sylejmani, representative of ANB Baliu furniture producer from Ferizaj, discussed how her company collaborates with the University of Applied Sciences. She noted that there was an agreement in place between her company and the university that paves the way for internships. During the internships, students can develop their ideas, and the best ones are chosen for production. These products are then presented during an annual exhibition at the University of Applied Sciences. The idea behind such a collaboration is to link theory and practice and equip students with real-world skills.

Ms. Ryva Prekorogja, representative from MEST, gave a presentation on the vocational education sector, which includes approximately 45,000 students and 155 vocational profiles, including wood processing, across 17 faculties. Kosovo's vocational system also includes 69 professional schools, three of which offer training in wood processing. Training courses offered for students in the wood processing industry include wood processing/interior design, carpentry, and forestry. These courses are currently available in professional schools located in Peja, Podujeva, and Ferizaj. According to Ms. Prekorogja, every region should do market research to understand which profiles are required in the market to develop the proper curricula for students.

Ms. Prekorogja noted that local companies are not satisfied with the quality of skills presented by students, as they do not gain professional workplace exposure during their studies. Ms. Prekorogja suggested evaluating students at the end of their internships and presenting them with certifications that would be recognized by all companies. In her opinion, companies should seek to cooperate more extensively with MEST in designing student curricula that aligns with market needs and prepares students to succeed in their jobs.

2.6 B2B Meetings

In collaboration with AWPk, event organizers scheduled a series of B2B meetings, providing a unique opportunity for participants to meet with and present offers to sales agents. Kosovo companies were particularly interested in meeting with an expert engaged by the ICEP project, Mr. Michele Cariota; Mr. Arben Kelmendi from Schwarzwald Massivholz; and Mr. Perparim Rama, the CEO of 4M.

During this portion of the event, companies and potential partners, including traders from Kosovo and sales agents, attended 68 meetings. The B2B meetings led to the following key results:

- Equipment and technology companies sold equipment worth €350,000 (BIESSE and UKAJ, SCM and Mahagoni, and Euro Model and Euro Swiss with Baliu).
- 4M, represented by Mr. Perparim Rama, had meetings with all exhibiting companies—six of these companies have started to produce samples for export to England.
- Schwarzwald Massivholz will continue cooperation with Kosovo companies and will expand to work with eight companies beginning in 2018.
- Michele Cariota, an Italian consultant engaged by ICEP, suggested and proposed solutions to companies interested in the development of new products, especially sofas. These companies included Albed, Sela Impex, Divani, and Mobileria Karagaq.

- B2B meetings took place between companies and new designers, including students who took part in the design contest; companies offered employment opportunities to 14 students.

3. EXPORT PROMOTION AND DONOR ACTIVITIES FORUM

3.1 Panel: Production Oriented Toward Exports

Ms. Arieta Vula Pozhegu, AWPK’s executive director, moderated the panel, which featured the following speakers: Michele Cariota, ICEP wood-sector expert; and Arben Kelmendi, CEO of Schwarzwald Massivholz.



Panelists (left to right): Arben Kelmendi, CEO of Schwarzwald Massivholz; Arieta Vula Pozhegu, director of AWPK; and Michele Cariota, ICEP expert.

During the panel discussion, Mr. Michele Cariota, an expert from the ICEP project, shared his 40 years of experience in the furniture and upholstery industry, working internationally for top brands, architects, and designers. During this time, Mr. Cariota set up new factories and was involved in the improvement of engineering and manufacturing processes. He was also involved in the marketing, design, and overall manufacturing activities of companies operating in Italy, the UK, the United States, India, China, Nigeria, Saudi Arabia, Cyprus, Egypt, and Bangladesh. During the second day of KWIC, Mr. Cariota discussed upholstery production in Italy and worldwide. He

also discussed some of the challenges faced by Kosovo's small and medium enterprises in producing and exporting quality furniture.

Mr. Cariota explained different export strategies by pointing out that global quality is key for success. Companies that have high-quality products and services are more resistant to crises and global market changes. History proves that these companies always experience higher turnover, even during world crises. According to Mr. Cariota, to achieve high quality, companies should invest in design, research and development, and marketing, and should be responsive to customer needs. Companies should also provide fast delivery and train staff well. He also presented key data on future global trends.

He further explained that the designs and details used by companies differentiate them. Currently, there is strong demand for good-quality and exclusive products around the world, and clients are well informed and able to recognize good quality. To achieve a unique and high-quality design, a company needs to work on research and development to stay abreast of market trends, and also needs the support of architects, designers or design studios. Companies should be flexible in customizing their products according to customer needs; this flexibility will allow for ad-hoc production, enabling companies to compete with larger companies. Fast delivery is essential as companies now mainly operate according to the "just in time" concept, which dictates short storage time.

Competent and well-trained staff are essential to a company's good performance. Companies need support from government institutions, universities, schools, organizations, and donors, and should be keen on creating new jobs for the unemployed. Marketing strategies are crucial for penetrating the market, and attendance at trade fairs is no longer enough for a company. Companies should also invest in digital marketing and PR, and try to be physically present in markets where they are most in demand or in target areas. Mr. Cariota identified Kosovo as a place with a strategic position—between Europe and the Middle East, and close to Africa. He believes that Kosovo could easily boost its exports.

AWPK disseminated Mr. Cariota's PowerPoint presentation, entitled "Export Strategies. Future market. What to do?", to interested companies.

Mr. Arben Kelmendi, CEO of Schwarzwald Massivholz, explained how his company has operated by selling through online platforms such as Amazon.de, eBay, Rakuten, and Moebel.de. According to him, selling online is the best and fastest way to test the popularity of a product among customers. It is important to have a good-quality product and understand how to present it online through favorable pictures and descriptions, and to pack the products according to standards. Marketing is key to online sales success. The company has two warehouses in Germany and other selling points in Kosovo. When a product is ordered by a company, Schwarzwald Massivholz orders from Kosovo and ships the product to the company.

The "Prime" function through Amazon.de guarantees to the buyer that the product will be delivered to them within 24 hours. Prime selling is for products that Amazon has in its warehouses.

One of the most successful selling methods is a monthly sale with the tested products; this takes three to five weeks to arrive to the final buyer. The product is made in Kosovo, but sold in Germany. When the product arrives in Germany, it does not enter the warehouse but is shipped to the final buyer.

According to Mr. Kelmendi, selling online is also a competition since the price, reviews, and rankings are visible to everyone. As best sellers, products from Kosovo have been ranked many times on the first page of Amazon.de; this shows the potential that these products have in the European market. Mr. Kelmendi noted that products that are not copied and cannot be compared with other products in the same category are more successful in the market.

During Mr. Kelmendi's presentation, the catalogue of current products (Schwarzwald Massiveholz) was introduced to the public, giving Kosovo producers a glimpse of the type of products that are demanded internationally.

3.2 Panel: Donor Activities in Kosovo

Ms. Arieta Vula Pozhegu from AWPK moderated the panel, which featured the following speakers: Mr. Skender Rama, EMPOWER chief of party; Ms. Blerta Qerimi, representative from the World Bank; Ms. Argjentina Grazhdani, project manager at the Swiss-funded PPSE project; Mr. Ilir Rexha, advisor at GIZ; and Mr. Libor Chlad, deputy head of cooperation at the EU Office in Kosovo.



Speakers (left to right): Blerta Qerimi from the World Bank; Argjentina Grazhdani, project manager and Kosovo country director at PPSE; Ilir Rexha, advisor at GIZ; Libor Chlad, deputy head of cooperation, EU Office in Kosovo; Skender Rama, chief of party at EMPOWER; and Arieta Vula Pozhegu, director at AWPK.

During the event's second day, the following organizations presented on donor activities in Kosovo: the USAID EMPOWER Private Sector project in cooperation with SIDA; the EU Office in Kosovo; GIZ GmbH; the PPSE project; and the World Bank. Topics discussed included support provided to the wood sector, current sector activities, and the sector's future. Presenters provided information on upcoming projects and previous work accomplished by donors in Kosovo. Companies at KWIC were very interested in this panel as it provided an opportunity to gain insights into future opportunities for their businesses.

3.3 Panel: Effective Technologies in Wood Processing

Ms. Arieta Vula Pozhegu moderated this panel, which featured the following speakers: Mr. Liridon Limani from Biesse; Mr. Kreshnik Shehu from SCMI; and Mr. Labinot Sahiti from EuroSwiss. These speakers all sell wood processing technology, and they spoke about cutting-edge equipment for final product manufacturing, including CNC machinery. These companies sell CNC machinery in Kosovo, and each company had a chance to provide details on their newest models and offers. They explained and presented effective wood processing technologies, followed by an explanation on global trends.



Panelists (left to right): Labinot Sahiti, EuroSwiss; Kreshnik Shehu, SCM; Liridon Limani, Biesse; and Arieta Vula Pozhegu, director of AWPK.

4. DESIGN CONTEST AWARDS

4.1 Design Contest Experience

Mr. Drilon Rexhepi was the winner of the 2016 student design competition, which was held as part of the first annual KWIC. Mr. Rexhepi is a student of the University of Applied Sciences in Ferizaj, and he was invited to speak to encourage future applicants and share his experience after winning the 2016 contest. Mr. Rexhepi showed his award-winning design to the audience and described how the contest changed the trajectory of his career, including how he successfully

gained new clients and opened an architectural design office. Mr. Rexhepi said that he believes the award helped him mobilize new clients for his company, which produces furniture.



Drilon Rexhepi, the winner of last year's student design competition, presents his experiences.

4.2 Design Contest Awards

Out of 51 students, 40 were selected to take part in the convention's exhibition, which was named *Best Designs*. An independent jury presented certificates to all 40 students and awarded cash prizes to the top three finalists. The first-prize winner was Mr. Vlorjan Paçarizi, followed by Ms. Vildane Maliqi, and Mr. Arian Berisha. Participating wood processing companies at the convention expressed an interest in engaging some of these students as either interns or employees.

5. PRODUCT DISPLAY

The product display was designed to provide a strong impression of the overall capabilities of the Kosovo wood sector, and to serve as a presentation to buyers and sales agents. The product display was organized to give each participating company an exhibition area. The following companies participated in the display:

1. **ANB Baliu:** Founded in 2003, produces high-quality products, and has 25 years of experience in furniture-making. Exports 50 percent of its products to Switzerland. Products include kitchens, bedrooms for kids and adults, various MDF products, and office furniture.

2. **Albed:** Founded in 1990, produces living room furniture, kitchens, bedrooms, and other furniture elements. Albed has a showroom in Vushtrri and will soon start producing leather upholstery.
3. **Dijamant:** Founded in 1986 in Maxharë, opened its headquarters in Malisheve in 2001. Based on high market demand, Dijamant opened a wood processing plant and started pellet production in a business park in Drenas in 2016.
4. **Divani:** Has a furniture production factory in Ferizaj. The company has about 60 models of different fabrics that are eco-friendly, and about 30 models of chambers. Divani exports to Germany, Albania, Macedonia, and Montenegro.
5. **Dekoriti:** A specialized company involved in mass wood processing since 1989. After many years of work experience, the company finalized investments in 2016 by bringing the latest technological trends to wood processing. Dekoriti has undertaken various projects and has many clients in the region and in Europe. Its products include access doors and chambers, bedrooms, kitchens, stairs, external facades, and other interior elements.
6. **Dekor IN:** Established in 2008 in Leposavić as a family business. Dekor IN is a microenterprise that manufactures a diverse range of furniture in response to individual customer orders, including kitchen cabinets, closets, tables, and beds. It also provides services such as cutting, edge bending, furniture design, and restoration and repair of old furniture.
7. **Elnor:** The company started as a family business, building on a long history of woodworking beginning in 1916. In 2002, the company began mass production of doors, chairs, and tables. Elnor has become a recognized brand and is headquartered in Pristina. With high production capacity, Elnor dominates in the local market and has reached the following regional and European markets: Albania, Montenegro, Macedonia, Switzerland, Germany, Finland, Ireland, Denmark, and Luxembourg. About 35 percent of the company's production line is focused on exports.
8. **Fontana:** Established in 2004 in Zubin Potok as a furniture trading company distributing well-known brands, including Dallas, Jela, Matis, Forma Ideale, Dasa, and Ciao Berto, mainly imported from Serbia but also domestically produced. The company gained a good understanding of the furniture market in North Kosovo. In 2011, the company initiated its own production of kitchen elements, closets, cabinets, children's beds, and sofas to fulfill buyer demand.
9. **Greenhouse:** Greenhouse produces pre-fabricated elements for family homes, industrial objects, sports halls, and mountain houses. The company has many years of experience in this specialized area and a proven record of successful operations in Switzerland. The company was founded through an Albanian-Swiss partnership. Greenhouse also produces elements for construction, which include various vertical objects up to three floors high and horizontal range without borders. These products are made entirely for the European market.
10. **Greatwood:** Established in 2016 with headquarters in Kosovo, the company processes and converts metal and old wood into various furniture pieces. Products include tables, chairs, lamps, and culinary accessories and products. Aside from its presence in the local market, Greatwood sells its products in Luxembourg, Switzerland, Germany, and

England. It also has a program that gives companies that produce decorative elements an opportunity to present their products in Greatwood's showroom.

11. **Godzi:** Established in 2004 in Zvečan in a small production space. Godzi produces wood doors and windows and has a good understanding of the North Kosovo wood production market. The company has developed business relationships with most of the construction companies in North Kosovo, through which it mainly sells internal wooden doors. Since 2004, Godzi has expanded its product range and now produces kitchen cabinets, tables, and solid-wood, plywood, and MDF stairs. The high quality of its products enabled Godzi to expand sales to South Mitrovica.
12. **Karagaq:** Has produced furniture since 1967. Its products include bedrooms, kitchens, different trimmings, and tables. Karagaq operates in the Kosovo market and exports its products to Albania, Switzerland, and Germany.
13. **Kelmendi:** The company was established in 2014, building on the heritage of Kombinati i Drurit (1958). Kelmendi focuses on the production of solid-wood furniture, implementing both standard and experimental technology. The company produces a variety of wooden products, of which 100 percent are exported to German-speaking countries. The company's main products include beds and bedroom furniture. Kelmendi also produces tables, kitchens, and chairs. All products produced are controlled by Kelmendi Holzmöbel, a distribution company that is responsible for ensuring product quality for the final buyer.
14. **Kosova Model:** Founded in 1958, the company produces doors, kitchens, bedroom furniture, MDF products, and windows. The company's professional staff measures, designs, and assembles its products. Kosova Model operates in the regional market but also in different European countries.
15. **Sela Impex:** Founded in 1994 as the continuation of a family wood processing business. Its products include furniture, bedrooms, trim, kitchens, and tables.
16. **Sharra:** Founded in 1991, produces high-quality products and is attentive to detail. Its main products include living room furniture, bedroom furniture, kitchens, windows, doors, and wood structural elements. Sharra exports to many countries including Albania, Macedonia, Switzerland, England, Germany, and Austria.
17. **Shehu:** Started as a family-owned trading company in 2005. They have gradually extended the scope of their products and services, and have created a brand known domestically for high-tech entry doors and wood-metal stair sets. The company produces an unlimited variety of stairs from classic to modern, offering the possibility to design them according to need, taste, and space in the house.
18. **Lesna:** Largest company in the region for door and window manufacturing. The company produces wood, wood-aluminum, and PVC windows, PVC doors, and modern aluminum window blinds. The wooden and aluminum doors and windows are produced from raw materials that originate in the woods; their products are certified by FSC and other well-known suppliers.
19. **Lumi:** Family-owned business established 25 years ago. It has established itself as one of the largest door producers in Kosovo. Lumi produces doors and kitchens for local and foreign markets. To date, Lumi has exported its products to several countries in Europe, including Switzerland, Germany, Austria, and Sweden. The company plans to increase its

exports, as it has expanded its production capacity with the construction of a new factory near the business park in Pristina.

20. **Tefik Çanga:** Founded in 1947. The company has a wide range of more than 200 products, including chairs, bedrooms, and interiors for hotels, restaurants, and cafes. The group of companies within Tefik Çanga include five factories: Tefik Çanga, Divani, Deco, Tedes Contract and Sofa Avantgarde. Tefik Çanga exports its products to Europe and Australia.
21. **Marković:** Established in 2001 as a producer of wooden doors and windows made of fir and spruce. Marković has a good understanding of the wood industry in North Kosovo and offers good-quality products at reasonable prices. Marković specializes in the production of custom-made ornamental wood products. This includes beds, dining tables, and frames. Marković has a sales subsidiary in Serbia and seeks to sell in southern Kosovo.



Dijamant's product display.



Lesna's product display.



Greatwood's product display.



Kelmendi's product display.



Divani's product display.



GreenHouse's product display.



Elnor's product display.



Sela-Impex's product display.



Albed's product display.



Product display at KWIC.



(Left to Right) Corinne Deleu, Trade and Internal Market Task Manager at EU Office in Kosovo; Libor Chlad, Deputy Head of Cooperation at EU Office in Kosovo; Flora Arifi, Project Management Specialist at Economic Growth Officer at USAID/Kosovo; Lisa Magno, Deputy Mission Director at USAID/Kosovo; and Rexhep Ilazi, Competitiveness Team Leader at EMPOWER Private Sector.



Visitors at the KWIC 2017 product display.



MOU was signed between AWPK and MEST.



Visitors from Down Syndrome Kosova at the KWIC 2017.

6. STUDENT DESIGN CONTEST

The student *Best Designs* contest was developed to showcase the innovative designs of Kosovo university students studying architecture, interior design, integrated design, and wood technology. The contest was organized in collaboration with Management and Development Associates (MDA). MDA representatives visited all universities and colleges that award degrees in the aforementioned subjects, and explained the contest rules and application procedures to interested students.

Following the application deadline, an independent jury comprised of professors, representatives of the wood industry, designers, and architects evaluated 51 applications. The jury judged the designs based on three criteria: the probability of the idea becoming a real product (50 percent of the total grade), innovation (30 percent), and design (20 percent). An evaluation panel comprised of Mr. Sheqer Ukaj, Mr. Adriatik Bytyqi, Mr. Arianit Loxha, Mr. Shpat Pozhegu, and Mr. Hashim Dëshishku selected the 40 finalists, and chose the winners of the first, second, and third prizes. The first prize was €500; the second prize was €300; and the third prize was €200.

Event organizers printed and exhibited all 40 designs in the convention hall, and included them in the *Best Designs* catalogue. The *Best Designs* catalogue is available online for the public: https://issuu.com/gara2017/docs/student_design_contest_2nd_edition .

In addition to organizing the contest, MDA also designed the student catalogue, various posters, the achievement certificate, small information leaflets, the winner's certificate, and other materials used for marketing through the official AWPK Facebook page.



Detail from the Best Designs! Student Design exposition.



(Left to right) Vlorjan Pacarizi, the first-place winner of the Student Design contest; Corinne Deleu, Trade and Internal Market Task Manager at EU Office in Kosovo; Arieta Vula Pozhegu, Director of AWPK.



(Left to right) Flora Arifi, Project Management Specialist at Economic Growth at USAID/Kosovo; Vildane Maliqi, the second-place winner of the Student Design Contest; Arieta Vula Pozhegu, Director of AWPK.



(Left to right) Arian Berisha, the third-place winner of the Student Design contest; Sheqer Ukaj, owner of Elnor; Arieta Vula Pozhegu, Director of AWPK.



Winners of the Best Designs Student Contest



Students from the University of Applied Arts and Sciences in Ferizaj visit the Best Designs Student Exhibition.



Best Designs Contest finalists with USAID EMPOWER Private Sector representatives and the AWPK representative.

7. CLOSING REMARKS

The second annual KWIC was a successful event gathering more than 325 registered attendants, both from the wood industry sector and the wider public. The event was also attended by various representatives of Kosovo government ministries and agencies.

Participants at the various forums and panels were able to discuss and analyze relevant issues, and had an opportunity to express their concerns and receive answers. As noted, increased collaboration between the private sector and the education sector was addressed in the first part of the convention. AWPK and MEST signed an MOU that detailed the development of professional standards, the development of vocational education and training curricula, enhancement of cooperation between schools and businesses, the provision of mentors to enterprises, internship programs during the summer break, professional internships, and other joint activities.

In addition to the speakers, company representatives, and general public at KWIC 2017, guests from Down Syndrome Kosova also displayed products that they created. Students from universities that participated in the *Best Designs* contest were also present during the two-day event and could directly engage in the forums as well as meet companies' representatives.

The second edition of the KWIC was extensively covered by various television channels, radio, print and online news media. To promote the event, AWPK Board President Hashim Deshishku and AWPK Director Arieta Vula Pozhegu appeared on the morning program "Sot" on KTV. Ms. Pozhegu and Perparim Rama, CEO of 4M Group, appeared on the "Ora e Pasdites" program on Klan Kosova, while Kreshnik Shehu, the CEO of SCM, appeared on the "Express" program on KTV after the KWIC. During the KWIC, Ms. Pozhegu and Sheqer Ukaj, the owner of Elnor, gave interviews to RTK for its morning program.

The KWIC was the perfect occasion to launch AWPK's Facebook page to promote wood industry companies and share details about the KWIC 2017 agenda. The convention was also live-streamed on Facebook, gaining many viewers: 7,300 viewers as of December 29, 2017. The Facebook page, which features videos from the convention, can be found here: www.facebook.com/kosovowoodassociation.

The key objective of the KWIC was to bring attention to Kosovo's wood industry and promote export, innovation, and design. This objective was fully achieved through the support of the speakers and experts, and through the work of the companies that displayed their products and students' innovative ideas. KWIC now exists as a promising annual event that brings together companies, future designers and architects, institutions, agencies, and experts to meet, discuss, and exchange information. The successful event activities have paved the way for future installments of KWIC and serve as examples for similar events.