



REPUBLIC OF KOSOVO  
Ministry of Trade and Industry

# SUCCESS STORIES KOSOVO



# TOP 10 REASONS TO INVEST IN KOSOVO



1

Youngest  
population in  
Europe



2

High availability  
of skilled and cost  
effective labor



3

EURO as  
the official  
currency



4

Free access to  
markets of EU, US  
and CEFTA



5

Low taxes



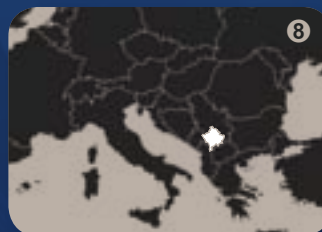
6

Stabilizing  
political  
environment



7

EU-  
compatible  
legislation



8

Strategic location  
and developing  
infrastructure



9

Sound  
banking  
system



10

Great investment  
opportunities

## SUCCESS STORIES

# Women Entrepreneurs in Kosovo

**S**uccessful women entrepreneurs in Kosovo are no longer a surprise or isolated cases. Those who know Kosovo and its progress in the recent years will confirm this. The four great success stories brought to you in this newsletter are not only inspiring but also a proof of progress and great investment opportunities.

The Kosovar legislation is modern and EU-compatible in this regard. It guarantees equal opportunities in all areas of the society, including political decision-making, public institutions and government structures. Today, women constitute about 13 per cent of the Kosovo Police Forces while 30 per cent of the seats in the Kosovo Parliament are reserved for women.

Contributing to establish equal opportunities for women and men, with particular regard to employment, professional and management positions remains one of key issues for the Vienna

Office of the Investment Promotion Agency of Kosovo (IPAK-Vienna). The success stories in this newsletter will hopefully contribute to this by inspiring other Kosovar women to establish their own businesses and by stimulating foreign investors to pursue gender equality principles.

In addition, IPAK strongly supports women entrepreneurs in Kosovo. Women's Business Association of Kosovo, an organization that gathers and supports women in business, was recently the host of the 1<sup>st</sup> International Conference of Women Entrepreneurs (held in Kosovo on 28-29 October, 2010). The conference was supported by IPAK and has brought together more than 170 participants from the business community, state agencies, and financial institutions, International and National Organizations, prominent businesswomen as well as representatives from national businesswomen associations from 13 countries.

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- In Kosovo, fashion is economically fashionable!
- When in Kosovo, speak Chocolate!
- The spark that changed the accounting business in Kosovo

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# KOHA – An investment in free speech has priceless returns

**T**en years after the war in Kosovo, 2011 finds the newly independent state facing an assortment of challenges. While the business environment is a whole new world for many entrepreneurs in Kosovo, the Surroi family and KOHA's roots date back as early as the 1990's. It all began as a weekly magazine – Koha Javore- a survival method after the massive layoffs undertaken by the Serb regime.

Today, KOHA is considered to be one of the most prominent companies in Kosovo, shaping public opinion through its multi-media dimension: a national television station, a daily newspaper, a web portal, and a publishing house.

The owner of this media giant, Flaka Surroi, retells the behind-the-scene story of feeding this colossal undertaking with soul, sweat and energy, refusing to settle for anything less than true success for what once was her brother's dream.

"Initially, my engagement in KOHA was that of a secondary nature. I was compelled to offer my assistance incognito, as my employer considered my involvement to be a conflict of interest. When the daily newspaper was established to existence, I was working for UNICEF. I didn't really have time to get involved, until the war broke out. In March 1998, we launched the webpage ARTA, a news portal in English. The very second day, the editor in chief resigned and I had to step in," she explains, reflecting back.

The war brought about many difficulties to the people of Kosovo. Many, fearing for their lives, fled the



country in search of a safer future. Others, amongst those Flaka and her family, saw it as their civic duty to continue their work, even throughout the tough times. The hard work and determination built KOHA into the most reliable source of information. After the war, brighter days were in sight for KOHA. In 2000, the national television KTV was launched on air.

"I returned to KOHA, to be more exact to KTV, in 2003 as the Head of the Programming and Managing Board, with the intention to bring about order to the television, which was going through a not very healthy period. Together with Leke Zherka, we worked hard to lift it to where it stands today. I took control over KOHA in December 2004, when my brother Vetton decided to run for office, and it seemed more than

logical for me to take over to preserve the neutrality and impartiality of the media group," says Flaka.

Running a successful business and taking it to an even higher level of success is never an easy job, and especially in Kosovo. Being a woman is often considered to be the cherry on top of the obstacle pie. However, Flaka's story proves the extreme opposite of how a woman can lead a company towards the peaks of success overcoming all impediments by combining managerial skills and a dream team.

"When I took over KOHA, I owned the most read Kosovar paper, the most alternative television, and a silent printing house kept alive with old machinery. The company employed around 230 with an average salary of

## KOHA – An investment in free speech has priceless returns

350 Euros. Six years later, I still own the most read Kosovar newspaper, still own the most alternative television station, and a printing house with a more advanced machinery and an increased volume of work, but I also own a publishing house with over 70 titles published in the past five years. In addition, I own cable television ARTA, the web portal koha.net with over 50,000 visitors a day, the company employs 300 people and their salaries amount to an average of 450 Euros,” she sums up modestly.

The many hindrances that she faces are quite often not gender-bound. Apart from the daily hassle of running a business with 300 employees, Flaka has been a witness of what challenges one faces with being a direct investor in freedom of speech.

“I feel very comfortable as the head of this company – I can proudly say that it is quite a big deal to lead a media house that is free from any political pressures and influences. It is a tremendous experience to be threatened, and you don’t give in simply because you firmly believe in what you do; and that is not your close personal interest. It is a tough and a tiring job. It requires responsibility to make sure that you have salaries in place for 300 people, without a single pay-day delay and to pay all duties towards the state. At the end of the day, when you see that you manage some of the very few balanced and independent sources of information, it makes every bit of energy invested really worth it. And yes there are times when I feel that my head will burst, that my heart will fail or that my stomach will explode but it is exactly this stress, this adrenaline that



is the generating force that makes me move forward,” she says.

An uncommon woman in a powerful media house, operating under uncommon circumstances leads us to believe that she is in the business for an uncommon investment. Flaka is determined to continue investing in free speech, because, as she puts it, it has priceless returns.

“The beauty of it all is possessing the most precious wealth in your hands – the power of speech, which is an extraordinary privilege for me. To me it is important to preserve our integrity and editorial independence, which is the most valuable asset that we own,” concludes Flaka.

Kosovo is quickly developing towards a stable business environment, the media being crucial to the development of both the economic and social sphere of this newborn country. Flaka and KOHA Group are a model of how success can be achieved when a visionary manager takes charge of an organic entity. ■

# In Kosovo, fashion is economically **fashionable!**

**K**osovo has moved past its post-conflict-country status. This is mostly true for the business environment. Bearing in mind the importance of small businesses that generate employment opportunities, the government is advancing its regulations and procedures for business registration.

While high unemployment affects all Kosovars, there are considerable differences in the access that women and men have to economic opportunities. Out of 47,401 private businesses registered in Kosovo, it is estimated that only around 6% of these are owned by women and as such, private business is arguably falling short of its role in terms of social inclusion and equality.

Nevertheless, the situation is not as hopeless as it seems. The story of Xheraldina Rexhepi, one of the most prominent fashion designers in Kosovo, is the example of how when the going gets tough, the tough get going. She is the proud owner of Atelier Xheraldina that serves as a source of inspiration and fashion to the many Kosovar women who seek originality and quality. Atelier Xheraldina is the result of a lot of hard work, perseverance and the courage to dream past the harsh reality.

“When I was young, designing was just a hobby to me. I was a medical student back in the 90’s, and I would design in my free time. I was about to graduate when the serb regime back then decided to lay off most of the Albanians working in Kosovo. Amongst the many Kosovars who lost their jobs were my parents. This was a financial challenge we had to overcome in order to survive. So, I



was forced to make a very difficult decision: I paused my studies so that I could design and create fashion to earn my living,” recalls Xheraldina, looking back to more than 20 years from now.

She continues to explain that together with her friend Linda, they opened a small workshop and since this was a new kind of business in Kosovo, their fame grew fast and the quality of the dresses soon became the talk of the town.

## In Kosovo, fashion is economically **fashionable!**

“Our dresses were so well-received that the market soon grew beyond the borders of Kosovo. To our surprise we were soon exporting to Switzerland, and other Western European countries where the Albanian Diaspora resides. Then came the war, and we lost everything. Everything but our right to dream, and that has kept me going,” she smiles with pride.

After the war, she decided to pursue fashion only part-time in order to regain the financial stability to continue with the business. She worked for several international organizations, while still remaining an influential figure in the fashion industry of Kosovo and being up to date with the trends.

“I worked full-time, I was a full-time mother, I pursued an MA degree in Journalism and I designed. When I felt I could stand on my own feet, Atelier Xheraldina was born. Today, I have two young ladies working for me and I am fully committed to my fashion passion. It is not easy to be a businesswoman in Kosovo, especially because of the mentality – but, I am very fortunate to be living and actively influencing the time of change,” explains Xheraldina.

Xheraldina's experience has served as an inspiring and motivational story to many young women. She explained that often times her atelier becomes a counseling room where young women seek advice to start up a business.

It has been calculated that over 90% of women in Kosovo, who have finished high school, are unemployed. Hence, they are unable to achieve economic independence or secure financial credit to start businesses.

Unfortunately, only about 10% of women in Kosovo live on their own income. This means that majority of them are dependent on others for their livelihood. Experts believe that this trend is changing.

“Making a big investment is usually problematic for women in Kosovo. The startup is done with a modest amount of money, usually. This is the reason why a lot of work, sweat and tears are required to ensure a stable business. For me it is the most rewarding investment of my life: I create beauty for the beauties. I consider Kosovar women to be beautiful from the inside and the outside, and I know that they are a pillar of this society that will overcome all obstacles to shape this beautiful society and direct it towards western values. I consider women to be a powerful force that have changed the course of history in Kosovo and they will continue to do so even more now that opportunities are increasing for the beautiful gender,” says Xheraldina.

Regardless of the difficulties, women in Kosovo are determined to prove that they are equally important in shaping the business environment. Xheraldina's story serves as the perfect example to prove that creating fashion is economically fashionable in Kosovo. ■



# When in Kosovo, speak **Chocolate!**

In 1999, Kosovo became the home of many expatriates. After an extremely difficult period of conflict, finally, life began to change gradually in Kosovo; the economy began to develop, the cultural sphere began to come back to life, Kosovo began to take the shape of a normal country. Nevertheless, for many years to come, some goods remained luxuries that could only be bought in the neighboring countries as many investors considered the business environment in Kosovo still to be too fragile and not secure to invest.

Bleta Zeqiri was one of the many Kosovars that drove down to Skopje, Macedonia, almost every week to enjoy the taste of fresh Belgian chocolates. Slowly, she developed a passion for genuine chocolate, and this passion led her to search for possibilities to open a Leonidas branch in Prishtina, Kosovo.

"I was enchanted by the taste, by the beauty of Leonidas chocolates. Every time I came back from Skopje, I shared the chocolates with family and friends and caught myself describing every single ingredient in each of the small pieces. And it did not take me long before I went to Skopje and met with the owners of the Leonidas shop there to discuss a possible cooperation. To my surprise every step was twice as difficult as I had thought it to be. Kosovo was not an independent country back then and obtaining the right to operate as an independent branch was not possible," says Bleta, reflecting back to her struggles in 2006.

She continues to explain the months ahead were a period of almost daily trips to Skopje, serious negotiations



and many sleepless nights. Finally, there was a light at the end of the tunnel – the Slovenian branch of Leonidas was willing to serve as an mediator for importing the chocolates into Kosovo since we were not an EU country nor an independent state.

"I was given the telephone number and an e-mail address to my contact person in Slovenia. At that point, I was desperate and any sign of hope was more than welcome. So, I sat down and typed a long e-mail, explaining my situation and seeking suggestions for a possible cooperation. I was committed to sweeten Kosovo and to get my people to speak the universal language of chocolate, and this gave me the courage to keep going until I had reached my goal. And yes, my perseverance paid off – I received a positive e-mail from Slovenia. This was the start of a beautiful journey full of sweetness," says Bleta, with a huge smile on her face, as if this was the very minute when she received the good news.

With help from her family, she found a small shop. While her father himself constructed all the cupboards and shelves needed, Bleta flew to Brussels to attend trainings from the official Leonidas Belgian Chocolate corporation.

"Belgian chocolates are an art on their own. In order to be successful you have to have passion, treat the chocolates with care, and wrap them as if every day is a special occasion of your own, not of the client only," explains Ms. Zeqiri.

In February 2007, Leonidas Belgian Chocolates opened in Prishtina and it soon became the common language of both local inhabitants and the internationals working in Kosovo. Ms. Zeqiri continued to work with a lot of love and commitment, overcoming all obstacles that arose in the meantime. Soon enough everybody in Prishtina learned to speak chocolate.



## When in Kosovo, speak **Chocolate!**

A year later, Kosovo declared its independence and this was a very positive move for Bleta's chocolates. She now could import her goods directly to Kosovo and did not have to go through Slovenia anymore.

"This was certainly an easier procedure. Not only was it easier, it was also cheaper. This helped me save money. Business was going well and it kept growing. My investment has paid off – I am running a business that I love, and I am making Kosovo a sweeter place. After all, no one has ever met a chocolate they did not like," she smiles while rapping the next gift on the counter.

Bleta Zeqiri's business has grown rapidly. In 2009 she opened a second chocolate shop in Prishtina's city center, "The Chocolate Corner" and only a month ago, she expanded Leonidas with another shop at Prishtina's exclusive shopping mall ALBI. Her confession has led us to believe that when passion and perseverance exceed the obstacles, nothing is impossible in Kosovo. ■

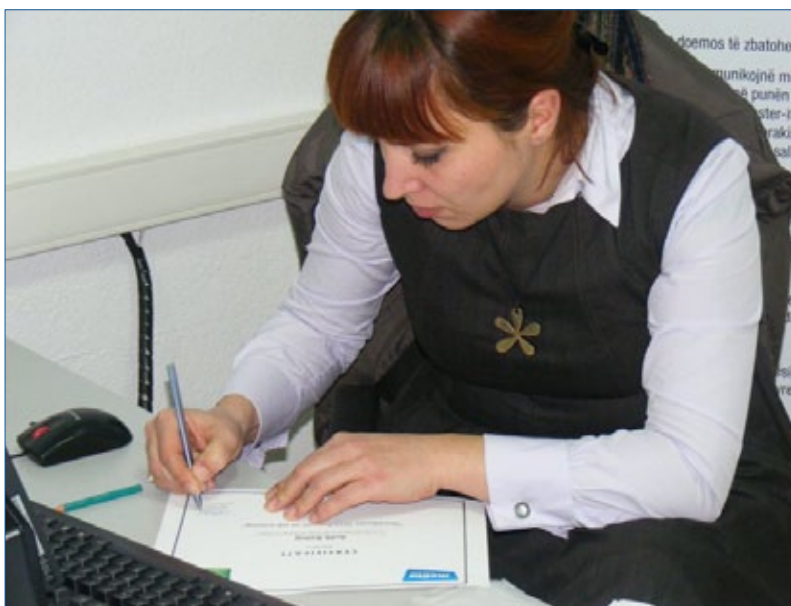


# The spark that changed the accounting business in Kosovo

**S**ince the end of the war in 1999, Kosovo is developing in all the areas and amounting to the level of other neighboring countries with regard to business development. The more relaxed procedures for operating a business in Kosovo are proving to be fruitful to many creative women.

Women today compete with men in all professions. Melita Ymeraga was raised among numbers. Her father, being an accountant, engaged her in his occupation at a very young age. She built up on that experience and decided to become an accountant herself. Nonetheless, she decided to add a little more flavor to the traditional concept of an accountant. She searched for a modernized version of accounting, a blend of tradition and technology. After many sleepless nights, visits abroad and hundreds of phone calls and e-mails later, she has become the sole representative of Quickbooks, accounting software, for Kosovo.

“My father was one of the very first accountants in the city of Gjakova. I was raised amidst numbers and calculations. Soon enough, I realized I felt pretty comfortable in this occupation and decided to pursue an academic degree in accounting. I helped my father with his clients and the experience has served me well in my career. Even back then, we used a software that was developed locally. I came to see that accounting was my future, my life. With the arrival of the international community chances for employment were higher. I have served as a Financial Manager for many projects in Kosovo,” she says recalling the beginning of her career.



From international organizations, Melita soon moved to the governmental institutions serving the Kosovo Treasury Department, within the Ministry of Economy and Finance. After gaining experience in various institutions, Melita knew she was eager to take her career to another level.

“As they say – Be careful what you wish for because you might get it. This is exactly what happened to me. I wanted change, I wanted a business of my own. In 2007, I received an invitation for a Quickbooks Financial System training. This was the moment where I felt that spark that changed everything. As of that day, like a mother expecting a child, I started to nurture this idea, this desire. I need a partner in this, a person that would be reliable. And fortunately enough, I got the support of my husband. It seems that my marriage resulted to be a good deal in many aspects,” says Melita teasingly.

She rolled up her sleeves, went through all the necessary trainings, obtained all necessary licenses and finally her dream was materialized. The dream did encompass many obstacles, some of which she had expected to occur and others of which she did not think.

“Although registering a business is not a complicated procedure in Kosovo, there are other impediments one faces. Since I had to travel quite often to the UK, it meant I needed to undergo all the necessary procedures to obtain visas. On the other hand, it is not very easy to obtain a loan for a startup business of this kind in Kosovo. But, I was determined not to give up,” says Melita.

With the support of her husband and family, she moved step by step towards the creation of what soon came to be “Melita & Partners”. With the investments she made and a bit of marketing, she soon became known amongst the many businesses

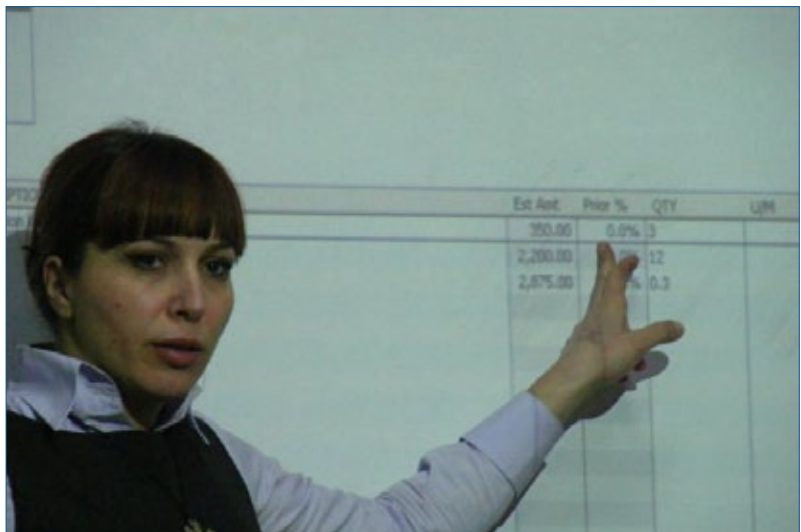
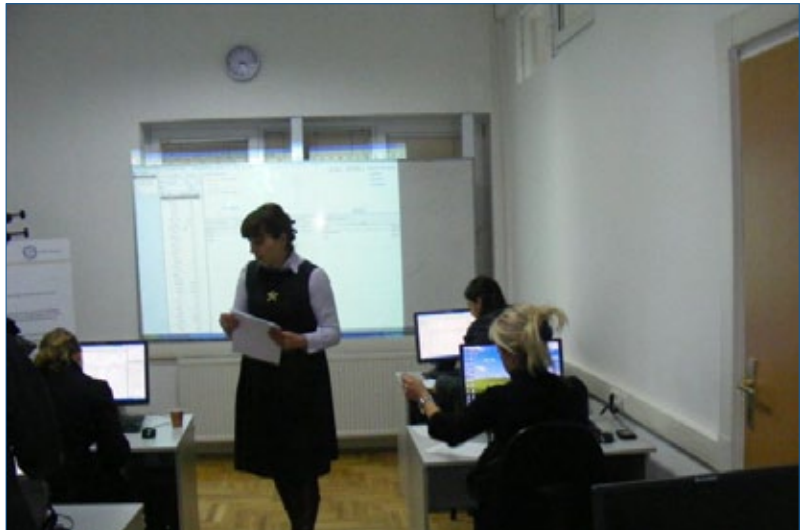
## The spark that changed the accounting business in Kosovo

that truly appreciated a trustworthy system that would facilitate their financing hassles.

“Every beginning is difficult. One needs to be courageous to establish a private company. I work more than 12 hours a day, I chase clients, and try to do all this at a minimal cost. I believe that the only thing that multiplies when shared with others is knowledge. So, that is what I do, I train others so that we can together develop a sustainable network. The dynamics of this business rewards you with an incomparable experience. I believe that the true formula lies behind creating a strategy and business tactics is a long term approach and vision. This was my opportunity to merge talent, courage and the continuous will to learn new things. It is certainly worth every second of my energy,” continues Melita.

Being a woman has certainly not presented a problem for Melita in her efforts to create the company. She, as many other women in Kosovo, believe that the battle of sexes has seriously diminished in the past decade, especially in the business sphere.

“The role of women in today’s Kosovo is much more different than what it used to be. If one manages to balance family life and career, I do not see being a businesswoman as a mission impossible. On the contrary, I believe women excel in businesses because of their nature-given skills such as the ability to network, the ability to negotiate and to budget. The true source to success is determination. If you do have the courage and determination to keep going regardless of what comes up during



the way, you have won half the battle,” claims Melita.

Melita & Partners has given the accounting business in Kosovo a new meaning. It is the concrete result of hard work and insistence that can help one overcome all obstacles that arise on the path to success. ■



## SUCCESS STORIES

# Porsche Kosova

## A smooth investment ride on the bumpy roads

**J**ust a couple of days ago, Kosovo left behind the celebrations of its 3<sup>rd</sup> anniversary. While many challenges lay ahead of this toddler country, Kosovo could well be praised for a serious advancement in the business environment and for an uplifting of its image into a serious partner for foreign investors.

For many of the investors who have sought to look beyond the challenges, Kosovo, regardless of the many improvements that might be deemed necessary, does provide a profitable surrounding for doing business.

The Salzburg based Austria Porsche Holding Group is amongst the foreign investors who has seen Kosovo to be an opportunity to come a step closer to their clients in the region.

“New market entry is an important strategic decision and we are happy that we managed a smooth and a successful entry into the Kosovo market. The decision has been

influenced by several factors. Beside the need for a better and centralized logistic and support center for our dealers, the desire to serve our customers in best manner was crucial to open a representative branch in Kosovo. On the other hand, Volkswagen has a long tradition since many decades and is the most beloved car make in the region. At the moment the purchase power is low, but we are confident that the market will grow. If we compare Kosovo with Slovenia regarding the population number and car sales per year, we see a huge potential for the improvement,” says Alex Vaszi, the General Manager of Porsche Kosova.

Porsche Kosova is a part of the Austrian Porsche Holding group from Salzburg, one of the biggest and most successful private companies in vehicle sales (around 450.000 cars in 2010) and after-sales in the world.

Being a part and a representative of such a prestigious group does enable the business procedures to

be conducted in a faster and more orderly manner, it does also mean an ease on the delivery to the client.

“As a member of the group, beside the direct vehicle order from the manufacturer, Porsche Kosova has direct access to our network vehicle stock, which means very fast and prompt delivery to our clients. Beside the showroom for Volkswagen and Skoda vehicle sales in Prishtina, it has additionally a professional service team for VW, Skoda, Seat and Audi. We provide our clients with original parts and accessories of the appropriate vehicle brand,” Alex continues to explain.

But the many efforts and investment of energy for such a large scale undertaking does also have setbacks that require patience and persistence.

For Porsche Kosova the journey from the decision to today has enabled the manager to define the challenges that would relieve, at least to a certain level the daily business.

## Porsche Kosova – A smooth investment ride on the bumpy roads

“One of our focuses is the people: on the one side the customers, on the other side the recruited staff, who can be an obstacle for an automotive industry to operate adequately. Improvements in the educational system and better cooperation with companies will certainly increase the level of qualification. On the other hand, one of the big advantages in Kosovo is that the official currency is Euro, which eliminates exchange rate risks and provides for lower transaction costs. A properly functioning banking system and proper regulations help a lot to approach the western mentality. The young population and high availability and cost effective labor may count also as an advantage to doing business in this part of Europe,” explains Alex, discreetly listing the pros and cons of the Kosovo business environment.

Being prudent in weighing all advantages and disadvantages, and combining them to work out in the company’s favor requires good managerial skills. Being able to turn the circumstances around to the company’s benefit requires persistence and probably many sleepless nights. Alex modestly describes the situation at Porsche Kosova almost three years down the road: “Although in the time of economic crisis we are baking ‘small breads’, but we are doing our best to achieve our goals. And we are



expanding in numbers, by all means. We have started in 2008 with 2 employees and today that number has increased to close almost 40. As far as the turnover is concerned, we have reached for 2010 a turnover of 8.4 Million Euros, which is an increase of 16 per cent compared to the previous year. We are satisfied with the results achieved until now and are confident that we will expand our leading position in the future. However, our business is very much linked with the overall economic situation of the

country and we depend very much on the purchase power of our clients,” he smiles optimistically.

Austria Porsche Holding Group’s decision in 2008 has proven to be a test passed. The combination of their expertise with the local workforce are daily delivering to the scheduled plans and expectations.

“Since we have clear vision about the future, we always plan ahead and consider our investment as a long term investment. In transition countries like Kosovo, one may also expect setbacks for certain period, but we are prepared for all eventual scenarios. Seen from today’s perspective the decision to enter the Kosovo market and being closer to our customer was absolutely right,” says Alex determinedly.

Since 2008 Porsche Kosova is slowly but surely changing gears on the lever of their business and the future does seem bright for what has turned out to be a smooth investment ride on the bumpy roads that characterize the new republic.



## SUCCESS STORIES

# Etlinger

## Spicing up the agricultural sector in Kosovo

In the past few years Kosovo has been frequented by many international experts. The newborn country has been mostly cherished for the great potential it has in the agricultural sector. The legacies of Kosovo's tough historical past resulted in this sector being the most underdeveloped one, regardless of the fact that it could, with very little investment, be a great sustainable injection to the economy of Kosovo.

Statistical data show that Kosovo has about 580,000 ha of agricultural land, and that still Kosovo imports 70 per cent of its agricultural products from the region and the EU. This certainly does make us believe that there are many hindrances for the potential investors of the agricultural sphere in Kosovo.

Nevertheless, many people believe that reviving this industry is not a mission impossible. One of them is Mr. Tahir Kokollari, the founder of Etlinger. His life story takes us to Austria. Like many fellow-Albanians he left Kosovo

to work abroad in an attempt to find a better future.

"For several years in a row, I worked for the Austrian company Etlinger which dealt with canned vegetables for the Austrian market. The company closed 7 years ago and I decided to move back to Kosovo. Although I had left this place empty handed, I returned with a dream, a plan and tons of experience and expertise. I founded a company in my place of birth, Shtime (Kosovo), under the same name – Etlinger – for processing and canning vegetables. In my mind, this investment would kill two birds with one stone: not only would I be introducing a Kosovo product with western standards to my country's market, but it would also generate new employment opportunities," says Mr. Kokollari, recalling the flow of events.

Tahir was not alone in his journey to accomplish his plans. An Austrian named Peter Pfluger, the owner of "Kolm Pfluger," crossed Tahir's path in what resulted to be "a match made in

heaven." Kolm Pfluger was established in 1910. It specializes in pickled and canned vegetables: cabbage, pickles, chilli peppers, etc.

"We are one of the main suppliers of canned and pickled vegetable to the main chain markets in Austria, including Zielpunkt, Billa, Merkur, etc. Because of the intense production that takes place in our company, we have to outsource quite some of our work abroad. This is where our paths have met with Mr. Kokollari. We found it to be a quite natural cooperation bearing in mind that Tahir has gained a large deal of his experience in Austria and has combined this in an excellent way with the broad knowledge of the terrain in Kosovo," explains Mr. Pfluger.

This economic fairytale was, of course, not as smooth as one would want it to be. Like all big projects this cooperation was faced with many challenges. "Initially, we had to come up with co-financing, which fortunately was achieved with the assistance of the Austrian Agency for



## Etlinger – Spicing up the agricultural sector in Kosovo

Development. Later on, this became a smoother task with the assistance of other donors in Kosovo, such as USAID. This year (2011) we were stricken by a new challenge that does present quite a difficulty for the business: for political reasons the preferential trade agreement between Kosovo and the EU was not further extended. As a consequence, we now have to pay 16 per cent of customs to Austria, therefore our products are more expensive and less competitive in the market. If this serious problem continues, it will put the whole project into question,” says Tahir worriedly.

And while Mr. Kokollari is objectively evaluating the cooperation between Etlinger and Pfluger, we come to notice that this joint project has much to be proud of. Although Tahir is modest about his achievements, the numbers that reflect the hard work are inspiring.

“In the first four years of our cooperation, we have exported 2,200 tons of processed vegetables from Kosovo to Austria. We have employed 150 workers, 90 per cent of which are women. Initially, only 20 per cent of Pfluger’s products were imported from Kosovo. This percentage has increased and we are aiming to rise it up to 60 per cent in the near future. Although I am very satisfied with the result, I am mostly satisfied that this joint project will serve as a concrete example that



it is worth to invest in the agricultural sector in Kosovo and above all that with the right investment this sector could be turned into an employment generator in Kosovo. It would have been very difficult to make it all happen if we would depend on loans from the banks in Kosovo only, therefore I am thankful to the financial assistance provided by Austrian Development Agency and to the consultancy provided by ECIKS in this joint effort,” says Tahir smilingly.

Just like Mr. Kokollari, his partner, Mr. Pfluger recalls the events and challenges that they have encountered on the road to materializing their plan.

“For me as an investor it is of high importance to bear in mind that Kosovo uses the Euro. This facilitates quite a few processes and above all it eliminates both the exchange rate risk and the currency risk. We have a remarkable experience in Kosovo and to me it is quite a surprise that some investors regard Kosovo with doubt. Let me reassure them that their doubts are groundless and that Kosovo truly is a place with a difficult past but it has great potential and a bright future ahead,” concludes Pfluger.

This noteworthy cooperation symbolically shows that the agricultural sector in Kosovo can be revived and it can easily become one of the main supporting pillars of Kosovo’s economy. The story shared by Mr. Kokollari and Mr. Pfluger sets the example that with the appropriate attitude, know-how and experience a company like Etlinger becomes the spice to flavor the agricultural sector in Kosovo.



## SUCCESS STORIES

# RROTA

## Designing a brighter future for Kosovo

**K**osovo has shown to be an attractive place for foreign investments. The young population, the modern legal infrastructure, quick and simple administrative procedures, all seem to have proven an advantage to those wanting to invest in Kosovo.

One could easily envisage Kosovo being a suitable environment that would catch the attention of foreign businessmen looking to expand their corporations or even start something entirely new. It was a bit harder to imagine that even Kosovars who had once left the country, would come back to rebuild a life in their native country.

Astrit Hyseni and Shkumbin Brestovci, who have spent quite a long time abroad and have both completed their studies at the Technical University of Vienna, are yet another example of Kosovo's splendid chances to gain back its brain.

They currently lead one of the most prominent companies in ICT and Multimedia sector in Kosovo, Rrota. Rrota offers various services such as web development and design, graphic design,

3D visualization, multimedia and video production, conventional marketing and online advertising, as well as social network campaigns and software development to the Kosovar market. Furthermore, the company recently proved it is very much capable of delivering high quality and latest technology products to international partners. But how did it all start?

"The initial impulse was the totally irrational idea of Shkumbin to open a comic book publishing house for the first time in the history of Kosovo. Other reasons were the chance to successfully apply the gained working and educational experience abroad back in Kosovo, the prospect of working on challenging high profile projects, and the possibility to promote western quality and CSR standards in an environment that still significantly lacks them," says Astrit, bringing back memories of how this economic fairy tale started.

Getting this project on track and running was not an easy task but it seems that Astrit and Shkumbin were quite expeditious in their business efforts and soon found a great co-operation through their network in

Austria.

"The Austrian company Wertheim has outsourced the development of a new software package in Kosovo. The 500.000 EUR worth investment foresees the development of a sophisticated software package for managing safe deposit boxes produced by Wertheim. The project is also supported by the Austrian Development Agency (ADA), who took over a part of the investment," says Shkumbin.

Proudly Astrit adds to the details of the cooperation: "Over 400 branches of banks in Austria, Switzerland, Croatia and Slovakia use Wertheim safe deposit boxes, while the software is developed by Rrota in Kosovo," he explains, "It took us two years to develop this sophisticated software for Wertheim, that will enable customers to access their safe deposit boxes through biometrical data."

With many sleepless nights in between and many struggles that they had to overcome, Rrota has come to be a partner to the leading companies and financial institutions in the Kosovo's market.



## RROTA – Designing a brighter future for Kosovo



“The company currently has 30 employees. Over the last 3 years it had a constant average growth of 25 per cent annually in turnover and has had an average 40 per cent raise in the profitability margin. Until now this growth was above the expectations. We do not expect this year to continue with the same pace due to a difficult economic environment. As target we have set to further raise our profitability margin through gains in productivity and efficiency and to further diversify our client group through investment and focus on outsourcing services,” explains Astrit, while listing some of the achievements and expectations.

Achieving this satisfactory level of doing business in Kosovo was not as easy as one might expect. Regardless of the fact that the founders of Rrota are native Kosovars, and one might believe this should facilitate the process, just like any other investor, Astrit and Shkumbin have come to face quite some difficulties. Above all, along the way they admit that things became easier with the support of his Austrian partners.

“The challenges faced were manifold, starting from the lack of liquidity and investment capital on behalf of the company

to the difficulties of braking through in a new and unknown market which itself was still partially underdeveloped, especially in the services sector. The lack of the properly developed SME sector, and the high dependency on the public sector were also one of the challenges that had to be overcome. As far as the cooperation with ADA and the software project itself was concerned, the biggest challenge was to assure the client itself that a Kosovar company has the knowledge and the capabilities to implement a highly specialized and qualitative service in Kosovo. The involvement of ADA and ECIKS was crucial on this part, they gave the project the credibility needed for the Austrian company to go ahead,” says Shkumbin.

Together they managed to build the foundations of what now has come to be a respectable company in Kosovo. This inspiring journey makes Astrit and Shkumbin the proud architects of a dream come true and they believe that when there is a will, in Kosovo you will find the way.

They both proudly speak about the values of Kosovo’s business environment: “Opportunities, Opportunities, Opportunities. The business environment

is very dynamic with a large pool of possibilities for companies that have focus on professional services,” says Astrit.

Astrit and Shkumbin together with their Austrian partner might have had to put some sweat and tears on top of the financial investment that they made, but the result has made them proud owners of Rrota and they seem to have left behind the more uncomfortable memories of their passage. Their position today in the Kosovo business market, they say, was worth their energy and time.

“Although the economic environment is still fluid and in transition the company has established itself as one of the key players in the market. The economic growth is still too slow for a major breakthrough, but from today’s perspective we are confident that the future will be bright,” says Astrit optimistically.

And what once seemed to have been a rough draft in the visual memory of two young Albanian students in Vienna, Rrota is now one of the most indispensable tools for designing a brighter future for Europe’s youngest country.



## SUCCESS STORIES

# TREPHARM

## Kosovo healthier and wealthier

**T**he Kosovo market has become an attractive landing lane for many businessmen and prospective investors from around the world. Europe's youngest country is increasingly becoming one of the most attractive investment destinations in the Balkans region.

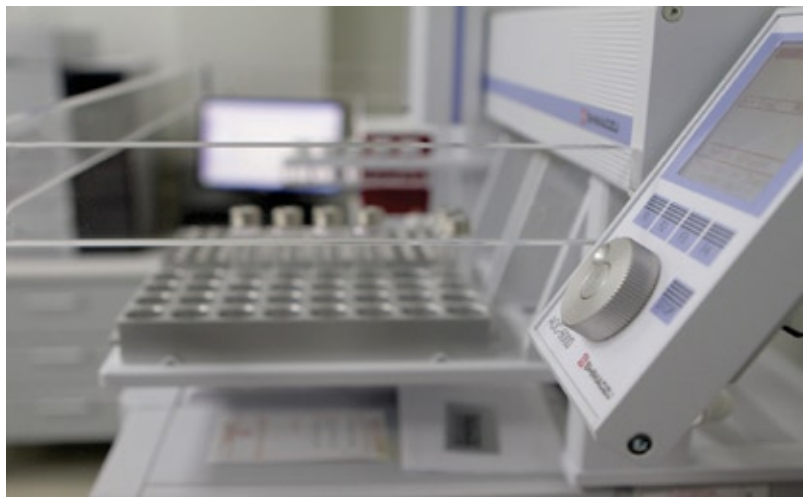
Those that have taken the chance to invest in Kosovo are always ready to trumpet the benefits. Mergim Prishtina met with us to share the story of a newly established company in Kosovo. Trepharm is a Kosovar investment in pharmaceutical production with a concept based on EU Current Good Manufacturing Practice (cGMP) standards. Current Good Manufacturing Practice but also other global Quality Standards have been taken in account during the design, construction and commissioning of this project, important for Kosovo's pharmaceutical community and its prospective customers.

Trepharm is the youngest pharmaceutical manufacturer not only in Kosovo but Balkans too. Mr. Mergim

Prishtina, the Managing Director of Trepharm, eagerly shares the details behind the idea of Trepharm because as he says, "from the bitterness of disease man learns the sweetness of health."

"The lifelong experience of our Chairman, Mr. Bedri Prishtina, in construction and trading, inspired us and we became interested to broaden our operations and invest in the manufacturing field. We conducted a market study and examined the existing

industry. As a result we found out that pharmaceuticals, even though very specific and an expensive branch, was a field which was almost inexistent not only in Kosovo itself but also in the region, at least not in the shape that meets the enforced EU regulations. Thus we started cooperation with well known companies who operate in this field worldwide. We have established a very advanced pharmaceutical manufacturing unit and a sophisticated Quality Control Laboratory," explains Mergim.



## TREPHARM – Kosovo healthier and wealthier



Investing in a new field requires patience and know-how in order to meet the obstacles that rise on the way. In the end, the taste of success does wash out the bitterness of the obstacles faced, but Mergim recalls the difficulties:

“The greatest challenge was the lack of expertise amongst Kosovo professionals in this area, so we had to engage many ex-pat professionals in order to achieve our goal of fully running the EU cGMP production plant in Kosovo and at the same time transferring the knowledge of ex-pats to our young professionals,” says Mergim, always insisting that quality was the main objective.

The rise of this new company was not a spotless journey but the founders were determined to invest the very best of their intentions and to make it work regardless of impediments that did occur. The current state shows the fruits of their intensive work:

“We are at the final stage of designing the second manufacturing unit which will broaden our portfolio of solid and semisolid products but also allow us to produce sterile injectible products.

Currently we have 56 employees and by end of the current project phase we have foreseen up to 150 employees. For the first two months of market operations we have started an informative campaign regarding our factory and products. We currently supply more than 80% of pharmacies in Kosovo. We are planning on moving to regional markets very soon. As a new producer we are open to cooperation with international partners that have sufficient market access and know-how. We have already established some contacts which show that there is interest in this field.”

The very fact that Mergim and his colleagues at Trepharm have listed out plans to expand the company shows that the market has proven to be beneficial and worthy of investment. The newly established country does provide a stable perspective for interested investors. Mergim identified some macro factors which he said will benefit future investors like him. He went on to cite the currency stability through the use of the Euro, the strategic location of Kosovo, the recent improvements in infrastructure as well as the low labor costs as good reasons to invest in

Kosovo.

Mergim and his partners have decided to invest in the health of this country by providing medicine that is produced according to European standards and that offer a secure alternative to the inferior imported pharmaceuticals. And above all, they make this health battle easy to win with all the time and dedication that they devote to this project.

“Although we are still at the first phases of our investment, we are certainly satisfied with our results so far. Therefore, we will be investing further in our capacities. We are currently, with help of ECIKS, looking for additional partners abroad,” says Mergim.

The story of Trepharm recalls the beautiful proverb: “He who has health has hope; and he who has hope has everything.” The proverb seems to be materialized in the story of this new company that aims to make Kosovo healthier and wealthier.

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