



SUCCESS STORY

Made In Kosovo: Wood Products Build Reputation At Home And Abroad

Furniture business flourishes as country rebuilds following war



"I got the assistance I needed at the moment I needed it most." - Ekrem Shaini

Photo by: USAID EMPOWER Private Sector

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May 2018 — For the thousands of Kosovars who fled violence during the country's armed conflict in 1998-99, returning to burned-down homes and a stunted economy presented great challenges and hardships. For entrepreneurs, however, opportunities existed amid the ruin, especially in Kosovo's burgeoning wood-processing sector.

In post-war Kosovo, businessman Ekrem Shaini, like many Kosovars, had to find new ways to support himself. With his business background and eye for opportunity, Shaini found unexpected inspiration when he looked out the window.

"We had to rebuild our own houses and furnish them as they were damaged from the war ... this is how the idea came to me to start my business," says Shaini.

Shaini started importing and selling bedroom furniture as Kosovo recovered, gaining essential market knowledge over the years. In 2015, he wanted to develop his business further by manufacturing and exporting furniture. Unfortunately, he wasn't sure how to organize production, and he lacked the packaging machinery and market contacts needed to succeed.

After hearing about USAID support to Kosovo's private sector, Shaini met with staff to discuss how USAID could help his company, Palma, grow. The five-year [EMPOWER Private Sector](#) project, which started in 2014, helps businesses in Kosovo expand by improving their capacity and connecting them with new markets.

To support Palma's growth, Shaini, with USAID's assistance, developed a plan to optimize the company's manufacturing process and factory layout. He also received a small grant to supplement his own funds to buy packaging machinery. In addition, USAID sponsored Palma's attendance at the IMM trade fair in Germany, a leading industry event, in 2017 and 2018. Palma's products were a hit, and orders from abroad began flowing in.

"I got the assistance I needed at the moment I needed it most," says Shaini.

Palma now exports its furniture to nine countries — 60 percent of its sales are exports — and made over 1 million euros in 2017. Since then, Shaini has hired nearly 120 new employees and expects to hire another 100 to keep up with new orders.

Buyers abroad are increasingly seeking out Kosovo's wood-processing businesses, thanks to relatively low labor costs and a tradition of hand-crafted, high-quality goods.

Nearly 20 years after Kosovo's war and 10 years after independence, the wood-processing sector in this young country is well positioned to grow and build a name for itself in foreign markets. To date, USAID's EMPOWER Private Sector project has helped create nearly 800 jobs in Kosovo's wood-processing industry by equipping 55 businesses with the tools they need to succeed.