SUMMARY PROJECT FICHE

1. BASIC INFORMATION

1.1 Désirée Number:

1.2 Title: Reinforcement of the Social Partners’ capacity to develop and implement the EU Acquis in the area of Employment and Social Affairs.

1.3 Sector: Employment and Social Affairs

1.4 Location: Ministry of Labour and Social Insurance, and Social Partners, Cyprus

2. OBJECTIVES

2.1 Overall Objective(s):
Preparation of Cyprus for accession to the European Union and in particular, reinforcement of its institutional structures in order to face the challenges posed by the Community Acquis.

2.2 Project Purpose:
Effective implementation of the EU Acquis in the Social Policy and Employment field.

2.3 Accession Partnership and NPAA priority

Accession Partnership

- Short term priorities
  - Support of Social Partners’ capacity-building efforts to develop and implement the EU Acquis.

NPAA

- Short term priorities
  - Support Social Partners’ capacity-building efforts to develop and implement the EU Acquis, through training programmes on Community social policy.

- Medium term priorities
  - Further support to Social Partners’ capacity-building efforts to develop and implement the EU Acquis, through training programmes on Community social policy, as well as through further strengthening of links with corresponding EU organisations.

2.4 Contribution to National Development Plan

N/A

2.5 Cross Border Impact

N/A

3. DESCRIPTION

3.1 Background and justification:

For harmonisation of Cyprus with the EU Acquis in the sector of Employment and Social Affairs, many pieces of new legislation will be introduced while existing legislation will be amended, mainly in the areas of occupational health and safety, labour law, equality between men and women, for full compliance. Given that the legislation in this sector is eventually implemented by the employers and employees themselves at their place of work, there is a need for each employer and each employee to know their rights and obligations provided by legislation in order to be able to apply it.

Social Partners’ organisations (Employers’ Organisations and Trade Unions) in Cyprus play an active role in informing and advising their members on legislation and on their rights and obligations. Therefore, there is a need for Social Partners’ organisations to enhance their capacity and their knowledge regarding the provisions and the application of the EU Acquis, in order to be able to inform, train and advise their members on the effective implementation of the EU Acquis.

Moreover, the social chapter of the Amsterdam Treaty assigns increased powers and responsibilities to the Social Partners. Social Partners’ organisations at European level (the most important being UNICE on the Employers’ side and ETUC on the Employees’ side) are entitled to enter into a consultation process and negotiation on specific issues of Employment and Social Affairs. The agreement to be reached may have a direct application in national agreements, or may be presented to the Commission in order to be adopted as
directive/regulation/decision. In addition, with effect from 1 January 1999, sectoral dialogue committees have been established at European level, in which representatives of the respective sectoral social partner’s organisations at EU level participate and are engaged in social dialogue. The Social Partners in Cyprus must become familiar with the required procedures and develop the necessary skills and competencies to participate constructively in these social dialogue processes at European level.

This project aims at enhancing the capabilities and competency of the Social Partners to participate effectively in the implementation of the Acquis in the Social Policy and Employment field, and to contribute constructively to the social dialog, especially at the sectoral level. It also targets two of the main objectives of the 1999-2003 Strategic Development Plan of the Republic of Cyprus:

- Harmonisation with the EU; and
- Achieving the triptych: growth-stability-social cohesion/maintenance of conditions of full employment.

3.2 Linked activities:
During the last few years, the Social Partners have benefited from participation in seminars and other training activities on issues related to Employment and Social Affairs through TAIEX. The activities of this project are complementary and build upon this previous assistance.

The project is also linked to the proposal for a Bi-communal project regarding the enhancement of the links between the Trade Unions in Cyprus. The Ministry of Labour and Social Insurance will co-ordinate the activities of the two projects in order to ensure the complementarity of these activities and avoid overlapping.

3.3 Results:

- Increase of awareness and development of knowledge amongst Social Partners with regard to the application of EU Acquis in the Social field;
- Increase of in-house capabilities of Social Partners’ organisations to provide technical support and guidance to their members on the application of the EU Acquis;
- Enhanced links of the Social Partners in Cyprus with Social Partners at the EU and Member States level.

3.4 Activities:
The Ministry of Labour and Social Insurance, as implementing agency of the project, will perform a training needs-analysis prior to the project, in order to identify in an accurate way the training needs of the Social Partners.

The Social Partners’ staff and members will participate in the activities of this project on the basis of applications submitted to the Ministry of Labour and Social Insurance by the Social Partners’ organisations. The results of the training needs-analysis will also be used for in designing and delivery of training courses, organisation of workshops/seminars/meetings, study visits, placements/internships etc. adapted to the specific needs of different target groups (staff, officials, members). An important element of this project is the development of in-house capabilities of Social Partners’ organisations to deliver/organise training activities for and to disseminate information to their staff and members on the application of the EU Acquis in the field of Social Policy and Employment. This will be achieved through the creation/improvement of dedicated Social Partners’ teams of trainers and the delivery of special train-the-trainers programmes.

The activities to be organised for the Social Partners should fall within the following categories:

- Organisation seminars, conferences, workshops and training sessions, in Cyprus, aiming at raising awareness and developing knowledge with regard to the application of EU Acquis in the Social Field;
- Training programmes for trainers with a view to increase in-house capabilities of social partner’s organisations so as to be able to offer training activities and dissemination of information (both to their staff and members) with regard to programmes on the application of the EU Acquis in the field of Social Policy and Employment on a continuous basis.
- Participation of Social Partners (officials and staff) in meetings, seminars and conferences organised by the EU relevant services, Sectoral Dialogue Committees and Social Partners’ organisations, both at EU and Member States level, in order to promote and strengthen the links with Social Partners at EU level, especially with regard to their participation in the sectoral dialogue;
- Study visits, placements/internships of Employees’ and Employers’ organisations (officials and staff) to relevant EU services and/or organisations within EU Member States, in order to get acquainted with methods and procedures relating to the adoption and the effective implementation and enforcement of the EU Acquis;
− Participation of Social Partners in Works Council meetings of Community-scale undertakings in order to get familiar with the methods and procedures relating to the adoption and the effective implementation of the European Works Councils Directive (94/45/EC).

− Creation/Improvement of ‘expert services’ within Social Partners’ organisations, in order to provide technical support to their members on the application of the EU Acquis in the Social Policy and Employment sector.

This project will, therefore, provide the resources for the organisation of the activities described above and purchase of specialised equipment for the reinforcement of training units within the Social Partner’s organisations and for the establishment of communication links between the Social Partners in Cyprus and with Social Partners’ organisations, both at EU and Member State level, with Sectoral Dialogue Committees and with relevant EU services.

4. INSTITUTIONAL FRAMEWORK

The competent authority for employment and working conditions is the Ministry of Labour and Social Insurance, which acts as the central body of labour administration. It comprises the Department of Labour, the Department of Social Welfare Services, the Department of Social Insurance, the Industrial Relations Service and three training institutes (the Higher Technical Institute (HTI), the Cyprus Productivity Centre (CPC) and the Higher Hotel Institute). The Industrial Training Authority is also under the responsibility of the Ministry of Labour and Social Insurance.

Social Partners in Cyprus are well organised and play an active role in the development and implementation of social and economic policy.

Trade Unions are mainly organised at industry level and belong to strong federations or confederations, the most important being:
- The Cyprus Workers Confederation (SEK), affiliated to ETUC,
- The Pancyprian Federation of Labour (PEO),
- The Democratic Labour Federation (DEOK).

There are also other powerful individual unions, some of which represent a specific sector of economic activity such as the public employees’ union (PASYDY), the bank employees’ union (ETYK) and the teachers’ unions (POED and OELMEK).

Employers are also organised in industry or branch level associations, most of which are members of the Cyprus Employers’ and Industrialists’ Federation (OEB) (which is a member of UNICE) and the Cyprus Chamber of Commerce and Industry (KEBE) (affiliated to UEAPME). Employers associations are normally registered under the Trade Unions legislation, so that they can have the right to act collectively and to resort, when necessary, to lockouts and similar measures in connection with labour disputes.

There is a long-standing practice of dialogue between Government, Employers and Trade Unions, especially in the labour and social fields. Such dialogue usually takes the form of tripartite co-operation. Bipartite relations are also important and several agreements have been reached at national level over the years between the two sides of industry. A network of consultative tripartite bodies (permanent and ad-hoc) exists.

The accession process has given new impetus to the promotion of social dialogue. In particular, in the Employment and Social Affairs area the Social Partners have been very actively involved in the preparations for the alignment with the EU Acquis. All aspects relating to the transposition of the EU Acquis in the area of social policy, including the draft harmonised legislation, are examined and discussed in technical tripartite committees of the Labour Advisory Board. These committees submit a report on their conclusions to the Labour Advisory Board where the Social Partners at the highest level discuss and advise the Minister of Labour and Social Insurance.

The Ministry of Labour and Social Insurance, as well as the Social Partners, will support the implementation of this project by assuring the necessary organisational environment and making available the necessary personnel, the required infrastructure and equipment, and by covering the related running costs.
5. **DETAILED BUDGET**

<table>
<thead>
<tr>
<th>Component</th>
<th>Investment(1)</th>
<th>Institution Building(2)</th>
<th>Total EU financing (=I+IB)</th>
<th>National co-financing</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reinforcement of the Social Partners’ capacity to develop and implement the EU Acquis in the area of Employment and Social Affairs</td>
<td>0.05</td>
<td>0.55</td>
<td>0.60</td>
<td>0.12*</td>
<td></td>
<td>0.72</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0.15</td>
<td>0.45</td>
<td>0.60</td>
<td>0.12</td>
<td>IFI</td>
<td>0.72</td>
</tr>
</tbody>
</table>

(1) - In relation to specialised equipment and software, documentation and related services (installation, testing, training etc.);
(2) - In relation to training, changes in organisation, procedures, legislation, etc.
* This amount includes the cost of government personnel and of the personnel of social partner’s organisations engaged in the co-ordination of the project, as well as operating expenses. It also covers the cost for the expert who will undertake the training needs analysis.

6. **IMPLEMENTATION ARRANGEMENTS**

6.1 **Implementing Agency:**

The Ministry of Labour and Social Insurance will be the Implementing Agency for this project. A Project Steering Committee (PSC) will be set up, comprising senior representatives of the relevant departments and the Planning Bureau. The PSC will be chaired by the Director of the Cyprus Productivity Centre. The Ministry of Labour and Social Insurance will make available the personnel necessary for the overall monitoring and management of the project.

6.2 **Twinning:**

N/A

6.3 **Non-standard aspects:**

The project will be managed according to the Decentralised Implementation system (DIS) rules.

6.4 **Contracts**

This is an integrated project, with a wide range of activities and assistance providers, that requires a unified and consistent approach in delivery of technical assistance. Accordingly, the preferred mean of implementation is to engage through open tender procedure a single contractor (procurement agent) capable of organising the project activities in an efficient and flexible way.

Such a single contract arrangement will maximise the effectiveness and the coherence of the project activities, will facilitate the co-ordination, will produce economies of scale and will reduce the administrative burden.

7. **IMPLEMENTATION SCHEDULE**

7.1 **Start of tendering/call for proposals:** September 2001.

7.2 **Start of project activity:** January 2001.

7.3 **Project Completion:** May 2003.

8. **EQUAL OPPORTUNITY**

Article 28 of the Constitution safeguards the right of all persons to equality before the law, the administration and justice and for equal protection thereof and treatment thereby. Any direct or indirect discrimination against any person on the grounds, i.a. of his sex is prohibited.

Furthermore, the prevailing legislation with respect to equality of treatment for men and women is partly in conformity with the Acquis Communautaire. The following laws currently in force cover equality issues: the Equal Pay between Men and Women for Work of equal value Law (158/89), the Protection of Maternity Law (100(I)/97), the Termination of Employment Law 1967 (24/67) as amended, and the Commissioner for Administration Law (3/91) as amended. Cyprus has ratified by Law 39/62 the European Convention for the Protection of Human Rights and Fundamental freedoms. Various international conventions which guarantee equal rights between men and women have also been ratified. Harmonised legislation is under preparation and full compliance with the Acquis Communautaire will be gradually achieved by 1 January 2003.

The Ministry of Labour and Social Insurance is an equal opportunity employer. There are 320 men and 667 women employed at the Ministry.
9. **ENVIRONMENT** N/A

10. **RATES OF RETURN** N/A

11. **INVESTMENT CRITERIA** N/A

12. **CONDITIONALITY AND SEQUENCING**

   The purchase of the specialised equipment and software will be made conditional to the submission of a detailed list to the Commission services in Brussels for prior approval. If not approved the investment part of the project may be reinvested for institution building purposes.

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**ANNEXES TO PROJECT FICHE**

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
## LOGFRAME PLANNING MATRIX

**PROJECT:**

**REINFORCEMENT OF THE SOCIAL PARTNERS’ CAPACITY TO DEVELOP AND IMPLEMENT THE EU ACQUIS IN THE AREA OF EMPLOYMENT AND SOCIAL AFFAIRS**

<table>
<thead>
<tr>
<th>Overall Objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation of Cyprus for accession to the European Union and in particular, reinforcement of its institutional structures in order to face the challenges posed by the Community Acquis</td>
<td>Full preparation of Cyprus for accession</td>
<td>European Commission’s Opinion on the Status of Preparation of Cyprus for Accession</td>
</tr>
</tbody>
</table>

**Project Purpose**

Effective implementation of the EU Acquis in the Social Policy and Employment field.

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>

**Results**

- Increase of awareness and development of knowledge amongst Social Partners with regard to the application of EU Acquis in the Social field;
- Increase of in-house capabilities of Social Partners’ organisations to provide technical support and guidance to their members on the application of the EU Acquis;
- Enhanced links of the Social Partners in Cyprus with Social Partners at the EU and Member States level.

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness events organised on the application of EU Acquis in the Social Field; Social Partners’ organisation inform/advise their members on legislation/rights/obligations; Training events organised for Social Partners’ members on the participation in sectoral dialog; Train-the-trainers events organised on the application of EU Acquis; Expert services created in Social Partners’ organisations, providing technical support to their members on application of the EU Acquis in Social Policy and Employment sector;</td>
<td>Project Progress Reports. Regular reports of the Social Partners’ organisations. Evaluation questionnaires fulfilled by the participants in project activities.</td>
<td>Full commitment of all parties involved in design and organisation/delivery of project activities. Timely availability of adequate resources.</td>
</tr>
</tbody>
</table>
### ANNEX 1

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Regular communication links established.</td>
<td>Technical assistance contract (service procurement contract) awarded as result of opening tender procedures.</td>
<td>Full commitment of all parties involved.</td>
</tr>
<tr>
<td>• Train-the-trainers courses;</td>
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<td>Timely availability of qualified experts;</td>
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<tr>
<td>• Organisation of workshops/seminars/meetings, study visits, placement/internship etc.</td>
<td></td>
<td>Effective monitoring of project implementation.</td>
</tr>
<tr>
<td>• Creation/improvement of ‘expert services’ within the Social Partners’ organisations;</td>
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</tr>
<tr>
<td>• Purchase of equipment for the reinforcement of training units within the Social Partner’s organisations and for the establishment of communication links between the Social Partners in Cyprus and with Social Partners’ organisations, both at EU and Member State level, with Sectoral Dialogue Committees and with relevant EU services.</td>
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</tbody>
</table>

**Preconditions**
- Political commitment for EU accession.
- Full commitment of Social Partners’ organisations.
- Financial resources available.
# DETAILED TIME IMPLEMENTATION CHART FOR THE PROJECT

**Title:** Reinforcement of the Social Partners’ capacity to develop and implement the EU Acquis in the area of Employment and Social Affairs

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
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<tbody>
<tr>
<td>Reinforcement of the Social Partners’ capacity to develop and implement the EU Acquis in the area of Employment and Social Affairs</td>
<td>C C C C</td>
<td>I I I I I I I I I I I I I I I I I I I I I I I I I I I I I R X</td>
<td>D = Design C = Contracting I = Implementation R = Review X = Closure</td>
</tr>
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CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

Title: **REINFORCEMENT OF THE SOCIAL PARTNERS’ CAPACITY TO DEVELOP AND IMPLEMENT THE EU ACQUIS IN THE AREA OF EMPLOYMENT AND SOCIAL AFFAIRS**

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<tbody>
<tr>
<td><strong>CONTRACTED</strong></td>
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<tr>
<td><strong>DISBURSEMENT</strong></td>
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<td>0.42</td>
<td>0.50</td>
<td>0.56</td>
<td>0.58</td>
<td>0.60</td>
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