

# Eurostat

## Labour market policy statistics

### Qualitative report

Cyprus, 2015

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## A - Introduction

## Introduction

The Eurostat Labour Market Policy (LMP) database collects information on labour market interventions implemented by each of the EU Member States and Norway. Data are collected according to a comprehensive methodology, which classifies interventions into three main types – services, measures and supports – and into nine detailed categories according to the type of action (see below). Readers are recommended to refer to the LMP methodology <sup>1</sup> for details of this classification scheme and definitions of terms used in this report.

The LMP database collects quantitative data on expenditure and participants for each intervention. These are published annually and are available online from the Eurostat website <sup>2</sup>. The quantitative data are complemented by a set of qualitative information describing each intervention. This represents an invaluable source of reference to support a harmonised approach to the classification of national interventions and to help interpret the detailed figures on expenditure and participants. These qualitative data are compiled into a series of **Labour market policy statistics: Qualitative Reports** and produced as separate volumes for each country/year.

The reports all have the same structure:

- Part A Introduction

- Part B Inventory of interventions - a list of all interventions reported for the relevant year, grouped by type of action and including a national language version of the intervention name.

- Part C Qualitative information by intervention - presents the available information about each intervention in three sections: *Identification*, *Description*, and *Supplementary information*. The *Description* contains seven sub-sections: Aim, Beneficiaries/participants, Action/instrument, Financing/support, Eligibility, Legal basis, and Recent changes. The *Supplementary information* contains eight sub-sections describing the breakdown of expenditure, target groups, the treatment of unemployment spells, receipt of benefits, planned duration and other characteristics of the intervention. Together, these items summarise the qualitative information collected through the LMP questionnaire.

- Part D Reference data - provides a description of the populations considered as reference data within the LMP database, giving national definitions of those considered as registered unemployed and other groups registered with the public employment services (PES).

- Part E Abbreviations

The qualitative information in the LMP database is updated annually with the contribution of delegates from each country and Eurostat cannot take responsibility for the validity of the content. The reports are published annually by Eurostat in English and reports for other years that are not currently in the online library can be produced on request.

### Classification of interventions by type of action

#### *LMP services*

1. Labour market services

#### *LMP measures*

2. Training
4. Employment incentives
5. Supported employment and rehabilitation
6. Direct job creation
7. Start-up incentives

*LMP supports*

- 8. Out-of-work income maintenance and support
- 9. Early retirement

<sup>1</sup>

[http://epp.eurostat.ec.europa.eu/portal/page/portal/product\\_details/publication?p\\_product\\_code=KS-GQ-13-002](http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-GQ-13-002)

<sup>2</sup> [http://epp.eurostat.ec.europa.eu/portal/page/portal/labour\\_market/labour\\_market\\_policy](http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/labour_market_policy)

## B - Inventory of interventions

Category, intervention number and name (English/National language)

1	Labour market services	
9	[Component] Public Employment Services - Client Services	[Component] ΔΗΜΟΣΙΑ ΥΠΗΡΕΣΙΑ ΑΠΑΣΧΟΛΗΣΗΣ -
9	[Component] Public Employment Services - Administration costs of LMP measures	[Component] ΔΗΜΟΣΙΑ ΥΠΗΡΕΣΙΑ ΑΠΑΣΧΟΛΗΣΗΣ -
9	[Component] Public Employment Services - Further modernization of PES	[Component] ΔΗΜΟΣΙΑ ΥΠΗΡΕΣΙΑ ΑΠΑΣΧΟΛΗΣΗΣ -
2	Training	
31	Improvement of the Employability of Economically Inactive Women	Βελτίωση της Απασχολησιμότητας του Οικονομικά Αδρανούς Γυνακείου Δυναμικού
32	Improvement of the Employability of the Unemployed	Βελτίωση της Απασχολησιμότητας των Ανέργων
18	Vocational Training of Persons with Disabilities	Σχέδιο Επαγγελματικής Κατάρτισης Ατόμων με Αναπηρίες
45	Participation of long-term unemployed in standard multi-company training programmes	Συμμετοχή Μακροχρόνια Ανέργων σε Πολυεπιχειρησιακά Προγράμματα Κατάρτισης - Συνήθη
4	Scheme for the Employment and Training of Tertiary Education Graduates	Σχέδιο Στελέχωσης Επιχειρήσεων με Απόφοιτους Τριτοβάθμιας Εκπαίδευσης
40	Scheme for Job Placement of Unemployed Young Tertiary Education Graduates For the Acquisition of Work Experience in Enterprises/ Organisations	Σχέδιο Τοποθέτησης Ανέργων Νέων Πτυχιούχων για Απόκτηση Εργασιακής Πείρας σε Επιχειρήσεις/ Οργανισμούς - ΣΤΑΠ
44	Scheme for Job Placement of Young Unemployed Graduates of Lower Secondary, Upper Secondary and Post-Secondary Education	Τοποθέτηση Άνεργων Νέων Αποφοίτων Γυμνασίων, Λυκείων, Τεχνικών Σχολών και Μεταλυκειακής Εκπαίδευσης μέχρι και Διετούς Διάρκειας για Απόκτηση Εργασιακ

4	Employment incentives	
12	Continued public assistance for recipients taking up employment	ΔΗΜΟΣΙΟ ΒΟΗΘΗΜΑ (ΣΕ ΛΗΠΤΕΣ ΔΗΜΟΣΙΟΥ ΒΟΗΘΗΜΑΤΟΣ ΠΟΥ ΤΟΠΟΘΕΤΟΥΝΤΑΙ ΣΕ ΘΕΣΕΙΣ ΕΡΓΑΣΙΑΣ)
24	Promotion of flexible forms of employment	ΣΧΕΔΙΟ ΕΠΙΧΟΡΗΓΗΣΗΣ ΕΠΙΧΕΙΡΗΣΕΩΝ ΚΑΙ ΟΡΓΑΝΙΣΜΩΝ ΓΙΑ ΔΗΜΙΟΥΡΓΙΑ ΝΕΩΝ ΘΕΣΕΩΝ ΕΡΓΑΣΙΑΣ ΜΕ ΕΥΕΛΙΚΤΕΣ ΡΥΘΜΙΣΕΙΣ
39	Scheme providing incentives to hire unemployed people	ΣΧΕΔΙΟ ΠΑΡΟΧΗΣ ΚΙΝΗΤΡΩΝ ΓΙΑ ΤΗΝ ΕΡΓΟΔΟΤΗΣΗ ΑΝΕΡΓΩΝ
41	Incentives to hire unemployed people (4th Call: Long term unemployed)	ΣΧΕΔΙΟ ΠΑΡΟΧΗΣ ΚΙΝΗΤΡΩΝ ΓΙΑ ΤΗΝ ΕΡΓΟΔΟΤΗΣΗ ΑΝΕΡΓΩΝ 4η ΠΡΟΣΚΛΗΣΗ – ΜΕ ΟΜΑΔΑ ΣΤΟΧΟΥ ΜΑΚΡΟΧΡΟΝΙΑ ΑΝΕΡΓΟΙ
42	Incentives to hire unemployed people (2nd Call: Enterprises of the retail trade sector employing 1-4 people)	ΣΧΕΔΙΟ ΠΑΡΟΧΗΣ ΚΙΝΗΤΡΩΝ ΓΙΑ ΤΗΝ ΕΡΓΟΔΟΤΗΣΗ ΑΝΕΡΓΩΝ 2η ΠΡΟΣΚΛΗΣΗ – ΜΕ ΔΙΚΑΙΟΥΧΟΥΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΤΟΥ ΛΙΑΝΙΚΟΥ ΕΜΠΟΡΙΟΥ ΠΟΥ ΕΡΓΟΔΟΤΟΥΝ 1-4 ΑΤΟΜΑ
43	Incentives to hire unemployed people (3rd Call: Long term unemployed)	ΣΧΕΔΙΟ ΠΑΡΟΧΗΣ ΚΙΝΗΤΡΩΝ ΓΙΑ ΤΗΝ ΕΡΓΟΔΟΤΗΣΗ ΑΝΕΡΓΩΝ 3η ΠΡΟΣΚΛΗΣΗ – ΜΕ ΟΜΑΔΑ ΣΤΟΧΟΥ ΜΑΚΡΟΧΡΟΝΙΑ ΑΝΕΡΓΟΙ
38	Subsidy scheme to maintain existing employment in enterprises of the retail trade sector employing 1-4 people	ΣΧΕΔΙΟ ΕΠΙΧΟΡΗΓΗΣΗΣ ΤΗΣ ΑΠΑΣΧΟΛΗΣΗΣ ΣΕ ΕΠΙΧΕΙΡΗΣΕΙΣ ΤΟΥ ΛΙΑΝΙΚΟΥ ΕΜΠΟΡΙΟΥ ΠΟΥ ΕΡΓΟΔΟΤΟΥΝ 1-4 ΑΤΟΜΑ
5	Supported employment and rehabilitation	
13	Supported employment scheme for persons with disabilities	ΣΧΕΔΙΟ ΑΠΑΣΧΟΛΗΣΗΣ ΜΕ ΣΤΗΡΙΞΗ
6	Direct job creation	
7	Start-up incentives	
17	Scheme for the Establishment of Small Business Units for Persons with Disabilities	ΣΧΕΔΙΟ ΓΙΑ ΔΗΜΙΟΥΡΓΙΑ ΚΑΙ ΛΕΙΤΟΥΡΓΙΑ ΜΙΚΡΩΝ ΜΟΝΑΔΩΝ ΓΙΑ ΣΚΟΠΟΥΣ ΑΥΤΟΕΡΓΟΔΟΤΗΣΗΣ ΑΤΟΜΩΝ ΜΕ ΑΝΑΠΗΡΙΑ
8	Out-of-work income maintenance and support	
21	Unemployment benefit	ΕΠΙΔΟΜΑ ΑΝΕΡΓΙΑΣ
20	Redundancy payment	ΠΛΗΡΩΜΗ ΛΟΓΩ ΠΛΕΟΝΑΣΜΟΥ
9	Early retirement	



Mixed	\$353		
R	9	Public Employment Services	ΔΗΜΟΣΙΑ ΥΠΗΡΕΣΙΑ ΑΠΑΣΧΟΛΗΣΗΣ
	9	[Component] Public Employment Services - Individualised approach	[Component] ΔΗΜΟΣΙΑ ΥΠΗΡΕΣΙΑ ΑΠΑΣΧΟΛΗΣΗΣ -

*Number of measures:* **50**

## C - Qualitative information by intervention

## Identification

Country     Cyprus                                     2015             Category   2 - Training

Intervention n°/name   31       Improvement of the Employability of Economically Inactive Women

Type of action:             2 - Training

## Description

### Aim:

To provide opportunities to economically inactive women, for participation to vocational training programmes and programmes to acquire work experience that will improve their chances to enter/re-enter the labour market.

### Beneficiaries:

Economically inactive women, registered with the PES.

### Action/Instrument:

Three main activities are implemented under this measure:

1.        Training Programmes
2.        Programmes to acquire work experience
3.        Marketing for the promotion of the programme.

All of the above are implemented by service providers (chosen through legislative procedures).

A criterion that has to be fulfilled for participation in the training programmes (100 hours) and work experience programmes (8 weeks) is the individualised approach - counselling offered by the PES and the submission of the relevant application form. The selection of the participants is attained according to eligibility and priority criteria.

Participants successfully completing the programmes until the first semester of 2013 were paid a training allowance of €8 per hour of training and €200 per week of work experience programme. Participants successfully completing the programmes after June 2013 are paid a training allowance of €5 per hour of training and €125 per week of work experience programme. The change in training allowance of participants successfully completing the programmes after June 2013 was implemented by HRDA due to increase in unemployment and was authorized by the Intermediary (European Social Fund Unit).

The end date for this intervention is 31/12/2015.

### Financing/Support:

The intervention is implemented under the Company Programme "Employment, Human Capital and Social Cohesion 2007 - 2013".

Co-funding by the ESF (70%) and the HRDA (30%). The measure is managed by the HRDA -Training Directorate and the Financial Services Directorate.

### Eligibility:

Criteria for selection/eligibility:

1. Application from the candidates
2. Referral from the PES

### Priority Criteria:

1. Leaders of single-parent families
2. Mothers of underaged children (depending on the number of children)
3. Women with a low level or no training or professional qualifications

Due to the increase in unemployment, HRDA proceeded to the implementation of priority criteria with additional priority to candidates who have not previously attended (in the current calendar year or the three previous calendar years), another program (co-funded or not) with a similar objective, namely to improve employability. This change was authorized by the Intermediary (European Social Fund Unit).

### Legal basis:

Human Resource Development Law of 1999

Inclusion to the Company Programme "Employment, Human Capital and Social Cohesion 2007 - 2013"

Recent changes:

## Supplementary information

Breakdown of expenditure:	Transfers to individuals ( Lump-sum payments), Transfers to service providers		
Target groups:	Other registered jobseekers (Re-entrants/lone parents, Public priorities and Other)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Typical: 1 Months, Maximum: 2 Months		
Responsible institution(s):	State/regional government		
Area of application:	National		
Implementation:	<i>Year started:</i>	2010	<i>Year Ended:</i> 2015

## Identification

Country Cyprus 2015 Category 2 - Training  
Intervention n°/name 32 Improvement of the Employability of the Unemployed  
Type of action: 2 - Training

## Description

### Aim:

To provide opportunities to the unemployed, for participation to vocational training programmes and programmes to acquire work experience that will improve their chances to enter/re-enter the labour market.

### Beneficiaries:

Unemployed, registered with the PES.

### Action/Instrument:

Three main activities are implemented under this measure:

1. Training Programmes
2. Programmes to acquire work experience
3. Marketing for the promotion of the programme.

All of the above are implemented by service providers (chosen through legislative procedures).

A criterion that has to be fulfilled for participation in the training programmes (160 hours) and work experience programmes (10 weeks) is the individualised approach - counselling offered by the PES and the submission of the relevant application form. The selection of participants is based on eligibility and priority criteria.

Participants successfully completing the programmes until the first semester of 2013, were paid a training allowance of €8 per hour of training and €200 per week of work experience programme. Participants successfully completing the programmes after June 2013 are paid a training allowance of €5 per hour of training and €125 per week of work experience programme. The change in training allowance of participants successfully completing the programmes after June 2013 was implemented by HRDA due to increase in unemployment and was authorized by the Intermediary (European Social Fund Unit).

The end date for this intervention is 31/12/2015.

### Financing/Support:

The intervention is implemented under the Company Programme "Employment, Human Capital and Social Cohesion 2007 - 2013".

Co-funding by the ESF (70%) and the HRDA (30%). The measure is managed by the HRDA -Training Directorate and the Financial Services Directorate.

### Eligibility:

#### Criteria for selection/eligibility:

1. Application from the candidates
2. Referral from the PES

### Priority Criteria:

Priority is given to unemployed persons belonging to more vulnerable groups, such as:

1. Women
2. Young individuals (aged 15 - 24 years old) with no qualifications
3. Individuals aged more than 55 years old
4. Individuals in danger of social exclusion

Due to the increase in unemployment, HRDA proceeded to the implementation of priority criteria with additional priority to candidates who have not previously attended (in the current calendar year or the three previous calendar years), another program (co-funded or not) with a similar objective, namely to improve employability. This change was authorized by the Intermediary (European Social Fund Unit).

### Legal basis:

Human Resource Development Law of 1999

Inclusion to the Company Programme "Employment, Human Capital and Social Cohesion 2007 - 2013"

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Source: Eurostat LMP database. Date of extraction: 14 February 2017

Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals ( Lump-sum payments), Transfers to service providers		
Target groups:	Registered unemployed (LTU, Youth, Older, Disabled, Re-entrants/lone parents, Public priorities and Other)		
Treatment of unemployment spells:	Continuous/Continuous		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Typical: 1.5 Months, Maximum: 2.5 Months		
Responsible institution(s):	State/regional government		
Area of application:	National		
Implementation:	<i>Year started:</i>	2010	<i>Year Ended:</i> 2015

## Identification

Country Cyprus 2015 Category 2 - Training

Intervention n°/name 18 Vocational Training of Persons with Disabilities

Type of action: 2.1 - Institutional training

## Description

### Aim:

The aim of this measure is to promote entrance to the labour market and social inclusion for the disabled.

This measure provides opportunities for training and education to people with disabilities in order to facilitate the employment or professional development.

### Beneficiaries:

Disabled individuals with problems either in finding employment or in advancing in their career, irrespective of their education level. Priority is given to individuals with severe disabilities, which are unemployed or underemployed.

### Action/Instrument:

Under this scheme persons with disabilities are entitled to reimbursement of training costs up to €1708,60 incurred in courses of their own choice or courses suggested in cooperation with the Department of Social Inclusion of Persons with Disabilities. The training courses should aim at improving employment prospects and may also take the form of apprenticeship.

Priority is given to persons with severe disabilities that are unemployed or under-employed.

The allowance is paid directly to the training institutions/enterprises (provided that the courses and building amenities fulfil all the necessary criteria).

The subsidy of €1708,60 is payable to the individuals/training institutions which provide the training course, after the submission of a relevant certificate confirming completion of the training course.

### Financing/Support:

The funding of the measure is covered by the Government of Cyprus. The Government Department responsible for the implementation of the measure is the Department for Social Inclusion of Persons with Disabilities-Ministry of Labour and Social Insurance

### Eligibility:

Disabled individuals with problems either in finding employment or in advancing in their career.

The suggested training course for the beneficiary must be designed in such a way and be of such content, so that the individual is able to attend/follow it.

The duration of the suggested course must not exceed 6 months or the maximum length defined by the Committee examining the applications.

The training course must be offered in an appropriate place and provide the appropriate means for use by disabled individuals

### Legal basis:

Approved by the Council of Ministers (decision no. 41.503 of 31/08/1994)

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements), Transfers to service providers

Target groups: Registered unemployed (Disabled)  
Other registered jobseekers (Disabled)  
Not registered (Disabled)  
Employed (Disabled)

Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: Cash benefits (Source: Other)  
Planned duration: Typical: 6 Months, Maximum: 6 Months  
Responsible institution(s): Central government  
Area of application: National  
Implementation: *Year started:* 1994 *Year Ended:* Ongoing



## Identification

Country      Cyprus                              2015              Category    2 - Training

Intervention n°/name    45      Participation of long-term unemployed in standard multi-company training programmes

Type of action:              2.1 - Institutional training

## Description

Aim:  
Participation of long-term unemployed in training programmes implemented by certified vocational training centres. The programmes are designed to satisfy training needs of companies through the participation of their employees (the major target group of these programmes). Since 1/1/2015 the participation of unemployed persons has been included in the Scheme as a new measure.  
The measure aims to improve the unemployed person's employability through taking advantage of already available training opportunities.

Beneficiaries:  
Unemployed persons, registered with the PES, who are eligible for Guaranteed minimum income (GMI) and are unemployed for at least 6 months or are facing special difficulties in employability with risk of social exclusion.

Action/Instrument:  
The HRDA evaluates and approves multi-company training programmes twice a year. The list of programmes are published by HRDA and the Vocational Training Centres (VTC). The PES issues a referral to each eligible unemployed person for participating in the multi-company training programmes. The unemployed person is entitled one referral for participating in one multi-company training programme per calendar year.

The holder of the referral after finding a programme that suits his/her needs, completes an application form and comes in contact with the VTC which needs to verify his/her unemployment through ES19 as well as candidate suitability in respect to the specifications of the programme. If the programme suits the unemployed person, he/she is entitled to participate free of charge.

The subsidy (€6/training hour/person) is paid to the VTC after successful completion of the training programme by the unemployed person (75% attendance).

Financing/Support:  
The measure is funded by the HRDA based on the Subsidisation Policy of the HRDA for the measure. The measure is managed by the Training Directorate and the Financial Services Directorate.

Eligibility:  
Candidates eligible to participate in the measure must be:

1. unemployed
2. registered with the PES
3. eligible for GMI
4. at least six months in unemployment or facing special difficulties in employability with danger for social exclusion
5. eligible in accordance to the programme specification description

Legal basis:  
Legislation underlying the operation of Human Resource Development Authority (HRDA).

Recent changes:  
Since 1/1/2016, eligibility criteria have been changed to eliminate the GMI eligibility requirement.

## Supplementary information

Breakdown of expenditure:              Transfers to service providers

Target groups:                              Registered unemployed (LTU, Public priorities and Other)

Treatment of unemployment spells:    Broken

Receipt of benefits:	None			
Planned duration:	Typical: 19.5 Days, Maximum: 42 Days			
Responsible institution(s):	State/regional government			
Area of application:	National			
Implementation:	<i>Year started:</i> 2015		<i>Year Ended:</i>	Ongoing

## Identification

Country Cyprus 2015 Category 2 - Training  
Intervention n°/name 4 Scheme for the Employment and Training of Tertiary Education Graduates  
Type of action: 2.2 - Workplace training

## Description

### Aim:

The aim of the Scheme is to provide the opportunity to young tertiary-education graduates with at least a first degree qualification, to smoothly enter the labour market, by acquiring work experience and specialised additional skills and knowledge; offering at the same time the opportunity to enterprises/organisations to develop through the employment of qualified and capable persons, with the prospects to advance and become an essential part of the business.

### Beneficiaries:

Eligible graduates: Tertiary-Education Graduates (under 30 years of age), who have successfully completed a tertiary education degree (normal duration of 3 or more years), and have less than 8 months of work experience, relevant to the job they will be trained for.

### Action/Instrument:

The length of the training period under this measure is 6 months and is decided according to the qualifications of the graduate and the requirements of the job. Training programmes consist of workplace training (implemented by the enterprise employing the graduate).

The implementation procedure of the measure is as follows:

1. Submission of application form to participate in the measure (by employers and graduates)
2. Examination of the application forms for approval/denial
3. Implementation of the training programme
4. Evaluation of the training of the graduates
5. Provision of the grant. The HRDA pays the employer the amount corresponding to the whole training period, according to its Subsidization Policy. Payments are made after the completion of the programme and the submission of application form.

### Financing/Support:

The measure is funded by the HRDA and the grant paid to employers is estimated using the Subsidization Policy of the HRDA for the measure (defining the selected costs, gross tension supports, and maximum amount for the grant). The measure is managed by the Training Directorate and the Financial Services Directorate.

### Eligibility:

#### Criteria for Employers:

1. Employers must submit an application to the measure
2. Employers must be compliant with their compulsory payments to the Human Resource Development Fund.
3. The enterprise has not been prohibited to collaborate with the HRDA as a penalisation from previous collaboration with the HRDA
4. The enterprise must have specific needs to recruit new employees in appropriate job positions. This has to be certified by the HRDA
5. The enterprise should not have reduced the number of its employees in the same position which is to be taken by the graduate, during the period of 8 months before submitting the training programme for approval and 2 months after the completion of the programme (the cases of employees voluntarily leaving the enterprise, retirement and dismissal due to misconduct are exempted)
6. The enterprise must have a suitable trainer, able to take charge of the guidance/supervision of the workplace training
7. The enterprise/organisation must be structured in such a way so that the necessary conditions exist for correct training/employment of the graduate.

Furthermore, employers must be active in Cyprus. All sectors of the economy are covered, irrespective of the size of the enterprise, excluding the government sector. Employers can be physical entities or legal entities (private or semi-government) or consortiums of physical and/or legal entities. The employers can be enterprises exercising economic activities or other entities who do not exercise economic activities. The Government of the Republic of Cyprus is excluded.

Criteria for Graduates:

1. Graduates must apply to participate in the measure
2. The lowest qualification acceptable for graduates is to have successfully completed a tertiary education degree (normal duration of 3 or more years) and be in possession of a post-secondary degree
3. The graduates do not have work experience of more than 8 months, relevant to their field of study or the job they will be trained for
4. The graduates have not been employed for more than 2 months in the enterprise that plans to apply for participation in the measure
5. The graduates have not discontinued their participation in the measure with another employer, after signing the contract, due to their own responsibility
6. The graduates are under 30 years of age

Legal basis:

1. Human Resource Development Law of 1999
2. Legislation underlying the provision of Public Aid

Recent changes:

A revised scheme was approved by the Board of Directors and started in 2015.

New name: Scheme for the Employment and Training of Tertiary Education Graduates (De Minimis).

New criteria for the graduates who are eligible: the age limit (graduates should be under 30 years of age), work experience (they should have less than 8 months relevant experience to the position they are employed under the scheme).

New criteria for employer applying for the scheme: the employer should not have reduced the number of its employees in the same position which is to be taken by the graduate, during the period of 8 months before submitting the training programme for approval and 2 months after the completion of the programme (the cases of employees voluntarily leaving the enterprise, retirement and dismissal due to misconduct are exempted). It is not mandatory for the graduate to participate in institutional training.

Also there is a new requirement that the employer has to apply for this scheme within 1 month of employing the graduate.

### Supplementary information

Breakdown of expenditure:	Transfers to employers ( Lump-sum payments)		
Target groups:	Registered unemployed (Youth) Other registered jobseekers (Youth) Not registered (Youth) Employed (Youth)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	None		
Planned duration:	Typical: 6 Months, Maximum: 6 Months		
Responsible institution(s):	State/regional government		
Area of application:	National		
Implementation:	<i>Year started:</i>	2003	<i>Year Ended:</i> Ongoing

## Identification

Country	Cyprus	2015	Category	2 - Training
Intervention n°/name	40	Scheme for Job Placement of Unemployed Young Tertiary Education Graduates For the Acquisition of Work Experience in Enterprises/ Organisations		
Type of action:	2.2 - Workplace training			

## Description

### Aim:

To provide the young unemployed tertiary education graduates with the opportunity to acquire work experience in order to improve their employability, while at the same time providing the opportunity to enterprises/organisations to utilise qualified human resources.

### Beneficiaries:

Young (less than 35 years of age), registered unemployed, tertiary education graduates, with limited (up to 3 months) relevant work experience. The selection of participants is based on eligibility and priority criteria defined by HRDA.

### Action/Instrument:

Applications are submitted by graduates and enterprises/ organisations during the time-period the call is open. Matching of graduates to placement positions is done through a software system. The placement is of a 6-month duration (26 weeks).

A number of calls have been realised and applications by young unemployed graduates and enterprises/organisations are submitted to be examined by HRDA. Matching procedure results in a number of placements per call. Each graduate participating in a job placement programme is eligible to a weekly training allowance of €125.

Job placement programmes successfully completed are those with at least 90% presence of graduates.

Intervention completion date: 31/12/2017.

### Finanacina/Support:

Part of the intervention that was completed during the year 2015, is implemented under the Operational Programme "Employment, Human Capital and Social Cohesion 2007 – 2013" and was co-financed by the ESF and the HRDA. Also, part of the intervention that started during the year 2015, is implemented under the Operational Programme "Employment, Human Resources and Social Cohesion 2014-2020" and may be co-financed by the ESF and the HRDA. The measure is managed by the HRDA – Training Directorate and the Financial Management Directorate

### Eligibility:

Submission of candidate's application form is a prerequisite.

### Eligibility criteria:

1. Unemployed registered with the Public Employment Services (PES)
2. Young (less than 35 years of age).
3. Holders of a degree or tertiary education academic qualification of at least three years of study, or a postgraduate qualification of at least one year of study.
4. Graduates with no or up to three months relevant with their studies work experience. Work experience which is considered a prerequisite to obtain their degree/ or academic qualification or license to practice their profession, is not considered as relevant.
5. Cypriot citizens or citizens of any other member state of European Economic Area (EEA) or with the same rights as above, who are legal residents in areas controlled by the Republic of Cyprus and are entitled to participate in the labour market.

### Priority Criteria:

1. Holders of a post-graduate degree.
2. Married/unmarried with dependent children.
3. Married with unemployed spouse (registered with the PES).
4. Heads of single-parent families (individual, who lives with at least one dependent child and is single/ widowed/ divorced):
  - With 1 dependent child.

Source: Eurostat LMP database. Date of extraction: 14 February 2017

- With 2 and more dependent children.
- 5. Long-term unemployed:
  - From 6 to 12 months.
  - Over 12 to 24 months.
  - Over 24 months.
- 6. The Scheme aims to provide accessibility to placement programmes to at least 50 disabled persons.

Graduates are classified according to eligibility and priority criteria.  
Applications of candidates that do not satisfy the eligibility criteria are rejected.

Legal basis:

Human Resource Development Law of 1999.

Operational Programme "Employment, Human Capital and Social Cohesion 2007–2013" and "Employment, Human Resources and Social Cohesion 2014-2020"

Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments), Transfers to service providers		
Target groups:	Registered unemployed (LTU, Youth, Disabled, Re-entrants/lone parents, Public priorities and Other)		
Treatment of unemployment spells:	Continuous/Continuous		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Typical: 6 Months, Maximum: 6 Months		
Responsible institution(s):	State/regional government		
Area of application:	National		
Implementation:	<i>Year started:</i>	2013	<i>Year Ended:</i> 2017

## Identification

Country	Cyprus	2015	Category	2 - Training
Intervention n°/name	44	Scheme for Job Placement of Young Unemployed Graduates of Lower Secondary, Upper Secondary and Post-Secondary Education		
Type of action:	2.2 - Workplace training			

## Description

### Aim:

To provide the unemployed young graduates of Lower Secondary, Upper Secondary, Apprenticeship Scheme and Post-Secondary Education (up to 2 years duration), under 25 years of age, with the opportunity to acquire work experience in order to improve their employability, while at the same time providing the opportunity to enterprises/organisations to use this human resource.

### Beneficiaries:

Young (less than 25 years of age), registered unemployed, graduates of Lower Secondary, Upper Secondary, Apprenticeship Scheme and Post-Secondary Education (up to 2 years duration), with limited work experience (up to 12 months). The selection of participants is based on eligibility and priority criteria defined by HRDA.

### Action/Instrument:

Applications are submitted by young unemployed people and enterprises/organisations during the time-period the call is open. Matching of young unemployed people to placement positions is done through a software system. The placement is for a 6-month duration (26 weeks).

A number of calls have been realised and applications by young unemployed people and enterprises/organisations are submitted to be examined by HRDA. Matching procedure results in a number of placements per call. Each graduate participating in a job placement programme is eligible to a weekly training allowance of €125.

Job placement programmes successfully completed are those with at least 90% presence of participants.

Intervention completion date: 31/12/2017.

### Financing/Support:

The intervention is implemented under the Operational Programme "Employment, Human Resources and Social Cohesion 2014 – 2020".

Co-financed by the ESF and the YEI (92%) and the HRDA (8%). The measure is managed by the HRDA – Training Directorate and the Financial Management Directorate.

### Eligibility:

Submission of candidate's application form is a prerequisite.

### Eligibility criteria:

1. Unemployed registered with the Public Employment Services (PES)
2. Young (less than 25 years of age).
3. Holders of a Certificate of Lower Secondary or Upper Secondary or Apprenticeship Scheme or Post-Secondary Education of up to 2 years duration.
4. Unemployed people with no or up to twelve months work experience.
5. Cypriot citizens or citizens of any other member state of European Economic Area (EEA) or with the same rights as above, who are legal residents in areas controlled by the Republic of Cyprus and are entitled to participate in the labour market.

### Priority Criteria:

1. Orphans:
  - From one parent.
  - From both parents.
2. Married/unmarried with dependent children.
3. Heads of single-parent families (individual, who lives with at least one dependent child and is single/ widowed/ divorced):
  - With 1 dependent child.

Source: Eurostat LMP database. Date of extraction: 14 February 2017

- With 2 and more dependent children.
- 4. Long-term unemployed:
  - From 6 to 12 months.
  - Over 12 to 24 months.
  - Over 24 months.

Young unemployed people are classified according to eligibility and priority criteria.

Disabled persons have priority for placement regardless of the above mentioned criteria.

Applications of candidates that do not satisfy the eligibility criteria are rejected.

Legal basis:

Human Resource Development Law of 1999.

Operational Programme "Employment, Human Resources and Social Cohesion 2014 – 2020"

Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments), Transfers to service providers		
Target groups:	Registered unemployed (LTU, Youth, Disabled, Re-entrants/lone parents)		
Treatment of unemployment spells:	Continuous/Continuous		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Typical: 6 Months, Maximum: 6 Months		
Responsible institution(s):	State/regional government		
Area of application:	National		
Implementation:	<i>Year started:</i>	2014	<i>Year Ended:</i> 2017



## Identification

Country Cyprus 2015 Category 4 - Employment incentives  
Intervention n°/name 12 Continued public assistance for recipients taking up employment  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

Gradual detachment from public assistance of persons who have been placed in employment and the provision of supplementary assistance to the salary of public assistance recipients who belong in special groups. These 2 measures can be considered as a motivation to find employment.

### Beneficiaries:

Public Assistance Recipients who were placed in employment

### Action/Instrument:

Regarding the general categories of long-term unemployed who were placed in employment, public assistance continues to be provided at the original level during the first four months. During the second four months public assistance is lowered by 1/3, by 2/3 in the following 4 months and fully at the end of one year of employment.

Public assistance is adjusted for persons belonging in specific groups who are employed on a case-by-case basis and in relation to the level of income received from work.

1. All groups: 50CYP
2. Persons with Disabilities: up to 300CYP
3. Over 63 years or persons with mental illness: up 100CYP

### Financing/Support:

State Budget  
Social Welfare Services

### Eligibility:

Existing public assistance recipients who are placed in employment positions or persons who are beneficiaries and their salary is lower than the amounts described in 3.3.

### Legal basis:

Public Assistance and Services Law 75(I) of 2006 and 67(I) of 2012 and 2013.

### Recent changes:

As of July 2014 the Public Assistance and Services Law is replaced with the Guaranteed Minimum Income and Social Benefits in General Laws of 2014 - 2015. However, the payments to beneficiaries of public assistance continued to be provided through the Public Assistance and Services Law for transitional period and therefore, the data provided from August onwards refers to the public assistance

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments)  
Target groups: Registered unemployed (Public priorities and Other)  
Not registered (Public priorities and Other)  
Treatment of unemployment spells: Broken  
Receipt of benefits: Cash benefits (Source: Current intervention)  
Planned duration: Variable  
Responsible institution(s): Central government  
Area of application: National  
Implementation: Year started: 2006 Year Ended: Ongoing

## Identification

Country Cyprus 2015 Category 4 - Employment incentives  
Intervention n°/name 24 Promotion of flexible forms of employment  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

The aim of the measure is both to help alleviate the problem of unemployment by attracting unemployed registered at the offices of the Public Employment Service, who wish to work on the basis of a flexible form of employment and to provide businesses a means to cope with difficulties brought about by the economic crisis to create new jobs, while achieving efficient organizations and improve their competitiveness.

### The ultimate goal is:

- To grant businesses / organizations for wage costs of people employed in jobs with flexible arrangements, for employers incentive purposes to create such positions and to recruit interested individuals who meet the inclusion criteria
- To grant people employed through the Scheme for fares to and from their workplace. This allowance is granted directly to the persons employed.

### Beneficiaries:

All businesses/Organizations can participate in the Scheme if:

1. They are located in areas controlled by the Republic of Cyprus.
  2. They meet the criteria under the Regulation on de minimis aid, and they are operating in any sector of the economy except:
    - i. organizations that undertake actively in the fishery and aquaculture falling under Regulation (EC) arith.104 / 2000 of the Council
    - ii. enterprises engaged in the primary production of agricultural products as listed in Annex 1 of the Treaty on European Union.
  3. They arranged / configured all their obligations in relation to the payment of social security contributions, payment of income tax and the payment of VAT in accordance with the legislation in force in the Republic on the date of application for payment of the grant.
  4. They do not employ illegal and / or unregistered workers.
  5. They have reduced the number of employees after the announcement of the Scheme on 19/04/2013.
  6. If there is a decrease in the number of employees the employer will have to prove that the reduction is due to voluntary retirement employee at retirement, or lawful dismissal for misconduct.
  7. Not considered in difficulty within the meaning referred to in paragraph 2 of the Community guidelines on State aid for rescuing and restructuring undertakings
- Additionally, businesses / organizations to be held responsible person (s) through the Scheme must meet the following conditions:

8. Hire a person who meets the criteria for inclusion in the Scheme.
9. Not benefited from the scheme in the current programming period of any co-financed plan for the recruitment of the person intending to hire through the existing Scheme.
10. The date of recruitment and work force, does not precede the date of submission of applications.
11. The salary of the person hired by the Scheme would not be less than that provided by the current Decree of Minimum Wage, even if this occupation is not included in those that are regulated as to the aspect of payroll, or Collective Agreement as the profession.

Participation in the Scheme is any person who is:

1. A citizen of the Republic of Cyprus or a citizen of any other Member State of the European Economic Area or have the same rights as above, and lawfully residing in areas controlled by the Republic and shall be free access to the labor market of the Republic.
2. Registered as an unemployed to the Offices of the Public Employment Service.

### Exclusions

They can not join the scheme with an employer-employee relationship,

1. People who are married or in connection with a blood or second degree by affinity or marriage with the employer. That is, they can not participate in an employer-employee relationship, people connected to each other as spouses, children, parents, brothers,

2. Person who is the main shareholder of the company.

For the above exceptions, as an employer and its main shareholder is a shareholder / owner and / or officer of the company, which in any way may influence decisions taken by the competent bodies or executives of the company on how management and general operation.

**Action/Instrument**

For companies / organizations included in the Scheme, provided sponsorship which covers 65% of the wage costs of the person hired for a period of eight months. The employer is obliged to employ the person for at least 10 months. Salary costs subsidized includes:

- i. Insurable earnings, as defined by the relevant legislation of Social Insurance.
- ii. Compulsory employer contributions to Social Security

The wage bill does not include any gratuities. But earnings are included such as 13th salary, payment for overtime, shift allowances, commissions given as a reward and not as bonuses. The Management Body reserves the right to consider the height of the offered by his / her business / payment agency for the proposed job than the qualifications and previous salary of the person recruited and / or corresponding jobs in the company / organization and / or the corresponding wages in the labor market for positions with similar tasks and qualifications.

Regardless of subsidized wage costs, the employed person shall not be treated less favorably, pro rata in relation to other workers in terms of benefits and general terms and conditions of employment.

Each person employed, traveling allowance is paid for each working month, calculated based on the distance traveled to go to and from work.

The total duration of the grant is eight months and a maximum grant amount for the cost of travel has determined the amount of € 200 per month.

**Finanacina/Support:**

The measure is funded by the European Social Fund and the Republic of Cyprus

**Eligibility:**

Eligible participants are individuals willing to work under flexible forms of employment, such as flexible hours of work, part-time employment, work at home and enterprises /organisations interested in employing individuals with flexible terms of employment.

Any enterprise or organisation may participate in the measure, so long as they create one or more new places of work with flexible terms of employment and individuals eligible to participate in the measure are employed in these places.

The employment date and commencement of work must not be before the date of application for participation in the measure.

**Legal basis:**

The legal basis for implementation of the Scheme is the decision of the Cabinet dated 22/4/2010

**Recent changes:**

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments), Transfers to employers (Periodic cash payments)			
Target groups:	Registered unemployed (All) Other registered jobseekers (All)			
Treatment of unemployment spells:	Broken			
Receipt of benefits:	Cash benefits (Source: Current intervention)			
Planned duration:	Typical: 8 Months, Maximum: 10 Months			
Responsible institution(s):	Central government			
Area of application:	National			
Implementation:	<i>Year started:</i>	2007	<i>Year Ended:</i>	Ongoing

Source: Eurostat LMP database. Date of extraction: 14 February 2017

## Identification

Country Cyprus 2015 Category 4 - Employment incentives  
Intervention n°/name 41 Incentives to hire unemployed people (4th Call: Long term unemployed)  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

This scheme aims at providing incentives to hire unemployed people in the private sector. The subsidy is payable to the employers who employ long term unemployed.

### Beneficiaries:

Long-term unemployed (employed or underemployed are excluded). Furthermore, candidates must be registered unemployed for at least 6 months at the PES and should actively be seeking for a job.

### Action/Instrument:

Period of application of this intervention: from 2/11/2015 to 30/12/2015.

Subsidy is provided to employers who hire individuals that belong to the target group as defined by the scheme and includes the following:

Financial assistance of 60% of the employee cost of wage, with a maximum amount of €6.000 per employee, per year. The subsidy covers the first 10 months of employment of the employee with the obligation that the employee should be employed for at least 2 more months. The subsidy provided will be based on the employee cost of wage for the agreed employment period including compulsory social security funds.

Not more than five employees per enterprise are allowed to participate in the scheme.

The intervention covers only long term unemployed, who are registered unemployed for at least 6 months at the PES and actively seeking for a job. Employed or underemployed are excluded.

### Financing/Support:

The Scheme is expected to be co-financed by the European Social Fund and the Republic of Cyprus within the framework of the Operational Programme "Employment, Human Capital and Social Cohesion" 2014-2020".

### Eligibility:

The measure covers only long term unemployed. Each beneficiary must be registered as unemployed for at least 6 months at the PES and should actively be seeking for a job.

### Legal basis:

The Grant Scheme is based on Regulation (EC) No. 651/2014 of June 17, 2014, declaring certain categories of aid compatible with the common market in application of Articles 107 and 88 of the Treaty (General Block Exemption Regulation). Official Journal. L. 187 of 26/06/2014.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (LTU)  
Treatment of unemployment spells: Broken  
Receipt of benefits: None  
Planned duration: Typical: 12 Months, Maximum: 12 Months  
Responsible institution(s): Central government  
Area of application: National  
Implementation: Year started: 2015 Year Ended: 2016

## Identification

Country Cyprus 2015 Category 4 - Employment incentives  
Intervention n°/name 42 Incentives to hire unemployed people (2nd Call: Enterprises of the retail trade sector employing 1-4 people)  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

This scheme aims at providing incentives to hire unemployed people in enterprises of the retail trade sector employing 1-4 persons. The subsidy is payable to the employers who employ unemployed persons.

### Beneficiaries:

Unemployed people (employed or underemployed are excluded). Furthermore, candidates must be registered unemployed at the PES and should actively be seeking for a job.

### Action/Instrument:

Period of application of this intervention: from 20/05/2015 until 18/06/2015.

Subsidy is provided to employers who belong to the target group as defined by the scheme and includes the following: Financial assistance of 60% of the employee cost of wage, with a maximum amount of €6.000 per employee, per year. The subsidy covers the first 10 months of employment of the employee with the obligation that the employee should be employed for at least 2 more months. The subsidy provided will be based on the employee cost of wage for the agreed employment period including compulsory social security funds.

Not more than five employees per enterprise are allowed to participate in the scheme.

The intervention covers only unemployed people, who are registered unemployed at the PES and actively seeking for a job. Employed or underemployed are excluded.

### Financing/Support:

The Scheme is expected to be co-financed by the European Social Fund and the Republic of Cyprus within the framework of the Operational Programme "Employment, Human Capital and Social Cohesion" 2014-2020".

### Eligibility:

The measure covers only unemployed, who must be registered as unemployed at the PES and should actively be seeking for a job.

### Legal basis:

The Grant Scheme is based on Regulation (EC) No. 651/2014 of June 17, 2014, declaring certain categories of aid compatible with the common market in application of Articles 107 and 88 of the Treaty (General Block Exemption Regulation). Official Journal. L. 187 of 26/06/2014.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (All)  
Treatment of unemployment spells: Broken  
Receipt of benefits: None  
Planned duration: Typical: 12 Months, Maximum: 12 Months  
Responsible institution(s): Central government  
Area of application: National  
Implementation: Year started: 2015 Year Ended: 2016

## Identification

Country Cyprus 2015 Category 4 - Employment incentives  
Intervention n°/name 43 Incentives to hire unemployed people (3rd Call: Long term unemployed)  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

This scheme aims at providing incentives to hire unemployed people in the private sector. The subsidy is payable to the employers who employ long term unemployed people.

### Beneficiaries:

Long-term unemployed (employed or underemployed are excluded). Furthermore, candidates must be registered unemployed for at least 6 months at the PES and should actively be seeking for a job.

### Action/Instrument:

Period of application of this intervention: from 18/06/2015 to 20/07/2015.

Subsidy is provided to employers who hire individuals that belong to the target group as defined by the scheme and includes the following:

Financial assistance of 60% of the employee cost of wage, with a maximum amount of €6.000 per employee, per year. The subsidy covers the first 10 months of employment of the employee with the obligation that the employee should be employed for at least 2 more months. The subsidy provided will be based on the employee cost of wage for the agreed employment period including compulsory social security funds.

Not more than five employees per enterprise are allowed to participate in the scheme.

The intervention covers only long term unemployed individuals, who are registered unemployed for at least 6 months at the PES and actively seeking for a job. Employed or underemployed are excluded.

### Financing/Support:

The Scheme is expected to be co-financed by the European Social Fund and the Republic of Cyprus within the framework of the Operational Programme "Employment, Human Capital and Social Cohesion" 2014-2020".

### Eligibility:

The measure covers only long term unemployed. Each beneficiary must be registered as unemployed for at least 6 months at the PES and should actively be seeking for a job.

### Legal basis:

The Grant Scheme is based on Regulation (EC) No. 651/2014 of June 17, 2014, declaring certain categories of aid compatible with the common market in application of Articles 107 and 88 of the Treaty (General Block Exemption Regulation). Official Journal. L. 187 of 26/06/2014.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (LTU)  
Treatment of unemployment spells: Broken  
Receipt of benefits: None  
Planned duration: Typical: 12 Months, Maximum: 12 Months  
Responsible institution(s): Central government  
Area of application: National  
Implementation: Year started: 2015 Year Ended: 2016

## Identification

Country Cyprus 2015 Category 4 - Employment incentives  
Intervention n°/name 39 Scheme providing incentives to hire unemployed people  
Type of action: 4.1.2 - Temporary

## Description

### Aim:

This scheme aims at providing incentives to hire unemployed people in the private sector. The subsidy is payable to the employers who employ unemployed people.

### Beneficiaries:

Registered unemployed. Employed or underemployed are excluded. Candidates must be registered unemployed at the PES and should actively be seeking for a job.

### Action/Instrument:

The period of application of this intervention is from 02/06/2014 until 29/06/2015. Applications were submitted from 2/6/2014-30/6/2014.

Subsidy is provided to employers who belong to the target group as defined by the scheme and includes the following: Financial assistance of 50% of the employee cost of wage, with a maximum amount of €5.000 per employee, per year. In case the participant (unemployed individual) is long term unemployed (more than six months), then the financial assistance is 60% of the employee cost of wage, with a maximum amount of €6.000 per employee, per year. The subsidy covers the first 10 months of employment of the employee with the obligation that the employee should be employed for at least 2 more months. The subsidy provided will be based on the employee cost of wage for the agreed employment period including compulsory social security funds.

Not more than five employees per enterprise are allowed to participate in the scheme.

The intervention covers only unemployed Individuals, who are registered unemployed at the PES and actively seeking for a job. Employed or underemployed are excluded.

### Finanacina/Support:

The Scheme is expected to be co-financed by the European Social Fund and the Republic of Cyprus within the framework of the Operational Programme "Employment, Human Capital and Social Cohesion" 2014-2020".

### Eligibility:

The measure covers only unemployed individuals. Employed or underemployed are excluded. Furthermore, each beneficiary must be registered as unemployed at the PES and should actively be seeking for a job.

### Legal basis:

The Grant Scheme is based on Regulation (EC) No. 651/2014 of June 17, 2014, declaring certain categories of aid compatible with the common market in application of Articles 107 and 88 of the Treaty (General Block Exemption Regulation). Official Journal. L. 187 of 26/06/2014.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (All, LTU)  
Treatment of unemployment spells: Broken  
Receipt of benefits: None  
Planned duration: Typical: 12 Months, Maximum: 12 Months  
Responsible institution(s): Central government  
Area of application: National  
Implementation: Year started: 2014 Year Ended: 2015

Source: Eurostat LMP database. Date of extraction: 14 February 2017

## Identification

Country Cyprus 2015 Category 4 - Employment incentives  
Intervention n°/name 38 Subsidy scheme to maintain existing employment in enterprises of the retail trade sector employing 1-4 people  
Type of action: 4.2 - Employment maintenance incentives

## Description

### Aim:

This scheme aims at providing incentives to maintain existing employment in enterprises of the retail trade sector employing 1-4 people, in order to cope with the consequences of the economic crisis.

### Beneficiaries:

Employees already employed for the last two years or more in enterprises of the retail trade sector that employ 1-4 persons. The enterprise must be in the retail sector and employ 1-4 people before December 2013 and the employee must be employed in the participating enterprise for at least two years before the announcement of the scheme (February 2012).

### Action/Instrument:

The period of application of this intervention is from 01/02/2014 until 31/01/2015. Applications were submitted from 20/2/2014-31/3/2014.

Subsidy is provided to employers who belong to the target group as defined by the scheme and includes the following: Financial assistance of 70% of the employee cost of wage, with a maximum amount of €7.000 per employee, per year. The subsidy covers only 10 months of employment of the employee with the obligation that the employee should be employed for at least 2 more months. The subsidy provided will be based on the employee cost of wage for the agreed employment period including compulsory social security funds. Only one employee per enterprise is allowed to participate in the scheme.

### Financing/Support:

The Scheme is financed by the Republic of Cyprus.

### Eligibility:

The measure covers employees already employed for the last two years or more in enterprises of the retail trade sector that employ 1-4 people. Moreover, the enterprises must provide information that prove a reduction of turnover of at least 25% in the last 12 months compared to the immediately preceding 12 month with the previous 12 months.

### Legal basis:

The Legal Basis for implementation of the Grant Scheme is based on the proposal of the Council of Ministers No: 1347/2013 of November 11, 2013 and the decision No: 76.083.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Employed (All)  
Treatment of unemployment spells: Not relevant  
Receipt of benefits: None  
Planned duration: Typical: 12 Months, Maximum: 12 Months  
Responsible institution(s): Central government  
Area of application: National  
Implementation: Year started: 2014 Year Ended: 2015



## Identification

Country Cyprus 2015 Category 5 - Supported employment and rehabilitation

Intervention n°/name 13 Supported employment scheme for persons with disabilities

Type of action: 5.1 - Supported employment

## Description

### Aim:

The measure aims to facilitate the employment of persons with mental or multiple disabilities in the open labour market, by providing support in the form of a job-coach.

### Beneficiaries:

Persons with mental or multiple disabilities

### Action/Instrument:

This measure provides a subsidy up to €13500 to organisations willing to implement relevant supported employment programmes, in order to cover expenses and support services. Each one of the programmes must provide for the support of 3-5 persons with severe disabilities or 6-8 persons with non-severe disabilities, through the support of the job-coach. This scheme covers the expenses of job coaches supporting persons with disabilities in the open labour market.

The department of Social Inclusion of Persons with Disabilities provides technical support and supervises programmes implemented under this scheme cooperating with the Committee for the Protection of the Rights of People with a Mental Handicap.

### The main principles of the intervention are:

- the provision of support to the beneficiaries at a personal level by a job coach
- Long-term support (if needed), of a flexible form with the final goal of social inclusion of the beneficiary
- The beneficiary's job must be a regular job in the open labour market and not in a protected environment
- The beneficiary must be working and paid on a regular basis

The intervention is intended for persons with severe disability or persons encountering adjustment problems (due to their disability) in jobs in the open labour market and there is no other way to ensure their social and professional rehabilitation.

Each organisation can apply for more than one employment programme.

A progress report has to be submitted by the organisation on a quarterly basis, for each programme and each person with disabilities participating in the measure. The amount of the subsidy is then decided and paid (part of it) based on the evaluation of the progress reports. If the programme stops to fulfil the requirements of the Measure, then payment of the subsidy is discontinued.

The programme of each job-coach, provides supported employment to at least 5 persons with disabilities, which are employed in the open labour market and paid on a regular basis.

### Finanacina/Support:

The supported employment programs are funded by the Department for Social Inclusion of Persons with Disabilities - Ministry of Labour and Social Insurance, which is responsible for the management and oversight of programs, provides technical guidance and monitors the effectiveness and quality of programs.

### Eligibility:

Persons with severe disabilities (mainly mental disabilities).

### Legal basis:

The scheme is implemented under decision no. 72.219 (17/06/2011) of the Council of Ministers.

The above mentioned decision is a modification of previous decisions with no 41.503 (31/08/1994), no 64.398(27/09/2006) and no 68.187 (30/12/2008).

### Recent changes:

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Source: Eurostat LMP database. Date of extraction: 14 February 2017

## Supplementary information

Breakdown of expenditure:	Transfers to employers (Periodic cash payments)		
Target groups:	Registered unemployed (Disabled) Other registered jobseekers (Disabled) Not registered (Disabled)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	None		
Planned duration:	Unlimited		
Responsible institution(s):	Central government		
Area of application:	National		
Implementation:	<i>Year started:</i>	1994	<i>Year Ended:</i> Ongoing

## Identification

Country Cyprus 2015 Category 7 - Start-up incentives  
Intervention n°/name 17 Scheme for the Establishment of Small Business Units for Persons with Disabilities  
Type of action: 7 - Start-up incentives

## Description

### Aim:

Provision of financial incentives to set up small business units for the self-employment of persons with disabilities and reduced working capacity in the labour market.

### Beneficiaries:

Disabled individuals, aged 18-63 years old, citizens of the Republic of Cyprus, or another Member-State of the EU, with physical, sensory, mental or other disability, which causes reduced working capacity in the labour market and limits the individuals to practice only a limited number of occupations.

Priority is given to disabled individuals with severe movement, sight, hearing or mental disabilities.

### Action/Instrument:

Under this measure, disabled individuals unable to obtain financial means to set up their own business, receive a subsidy of € 8.543,01 maximum. The amount mainly covers expenses for the purchase of machinery, equipment and raw material, as well as mobility equipment which should not exceed 30% of the total subsidy. Additionally, the interest due for loans made for this purpose is subsidised (€ 341,72 maximum, over a period of 7 years at most). Furthermore, the subsidy is increased for group projects, by € 854,30 for each additional (eligible) person participating in the plan.

The examination and evaluation of the applications is conducted by the Administration Committee of the Special Fund for the Centre for the Rehabilitation of the Disabled. The members of this committee are appointed by the Minister of Labour and Social Insurance. The amount of the subsidy may be paid in smaller parts, after receiving the necessary invoices concerning the purchase of equipment, and after an inspection is carried out at the premises by an officer from the Department for Social Inclusion of Persons with Disabilities.

Subsidy is provided after confirmation that the small business unit is viable. For this reason applicants are request to provide a viability study for their business proposal.

### Financing/Support:

The funding of the measure is covered by the Special Fund for the Centre for the Vocational Rehabilitation of the Disabled. The Government Department responsible for the implementation of the measure is the Department for Social Inclusion of Persons with Disabilities. - Ministry of Labour and Social Insurance

### Eligibility:

The Scheme provides subsidy to individuals with disabilities, who do not have the financial instrument for self-employment.

Disabled individuals aged 18-63 years old, citizens of the Republic of Cyprus, or another Member State of the EU (given that they are permanent residents of the Government controlled area of the Republic for at least 12 continuous months), with physical, sensory, mental or other disability, which causes reduced working capacity in the labour market and limits the individuals to practice only a limited number of occupations.

Priority is given to disabled individuals with severe movement, sight, hearing or mental disabilities.

Subsidy is provided after confirmation that the small business unit is viable, particularly for the first two years of operation. For this reason applicants are request to provide a viability study for their business proposal.

### Legal basis:

Special fund for the Centre for the Vocational Rehabilitation of the Disabled Law - 103(I)/2000

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Reimbursements)

Source: Eurostat LMP database. Date of extraction: 14 February 2017

Target groups:	Registered unemployed (Disabled)
	Other registered jobseekers (Disabled)
	Not registered (Disabled)
Treatment of unemployment spells:	Broken
Receipt of benefits:	Cash benefits (Source: Current intervention, Other)
Planned duration:	Maximum: 7 Years
Responsible institution(s):	Central government
Area of application:	National
Implementation:	<i>Year started:</i> 2000 <i>Year Ended:</i> Ongoing

## Identification

Country Cyprus 2015 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 21 Unemployment benefit

Type of action: 8.1.1 - Unemployment insurance

## Description

### Aim:

The aim of the measure is to protect all employees from the danger of unemployment by providing the unemployment benefit, thus compensating a reasonable percentage of the earnings/income from work and consequently ensuring for a corresponding standard of living.

### Beneficiaries:

Unemployment benefit is payable to employed persons and voluntary contributors working abroad in the service of Cypriot employer. Insured persons under the age of 16 or over the age of 63 are not entitled to unemployment benefit. The age of 63 is extended up to the age of 65 if the insured person is not entitled to old age pension. Unemployment benefit is paid also to an unemployed insured person for any period for which he attends courses of occupational training.

### Action/Instrument:

The insured person should first register as unemployed at the nearest District Labour Office (PES) and then visit the nearest Social Insurance Office and sign the register of unemployed. The claimant should sign the register at regular intervals determined by the Social Insurance Office.

When the application is examined and approved, the unemployment benefit is payable retrospectively with bank transfers to the beneficiaries' accounts.

The benefit is payable for a maximum of 156 days in each period of interruption of employment.

In order to be considered unemployed, the unemployed person must sign at the unemployed register at regular time intervals (the days are defined by the District Social Insurance Services Office).

In the case of an employed person the payment of the benefit starts from the 4th day of unemployment and in the case of a voluntarily insured person, working in the service of Cypriot employer abroad, the payment starts after the first 30 days of unemployment.

In the case an insured person is entitled to unemployment benefit and to another periodical benefit out of the Social Insurance Fund at the same time, he is paid only the benefit at the higher rate. This does not apply in the case where there is entitlement at the same period to unemployment benefit and widow's /widower's pension or missing person's allowance. In this case the insured person is paid both benefits for the same period and the increase for dependants is payable only to the benefit where the increase for dependants is at a higher rate.

The rate of unemployment benefit is determined according to the average weekly amount of earnings on which contributions were paid or credited for the insured person in the previous contribution year.

Unemployment benefit is composed of the basic and the supplementary benefit. The weekly rate of the basic benefit is equal to 60% of the weekly average of the basic insurable earnings of the beneficiary in the previous year, increased by 1/3 for a dependent spouse and by 1/6 for dependent children or other dependants (maximum three dependants). The increase for the dependant spouse is payable only if his/her earnings from his/her employment or the rate of the benefit he/she may receive from the Social Insurance Fund, are not higher than the amount of increase for dependants. In the case where both spouses are entitled to a benefit for the same period, the increase for dependants is payable only to the spouse who is entitled to increase of benefit at a higher rate. The weekly rate of supplementary benefit is equal to 50% of the weekly average of insurable earnings of the beneficiary in excess of the basic insurable earnings but in no case the supplementary benefit is higher than the weekly amount of the basic insurable earnings.

### Financing/Support:

The fund covering payments for the unemployment benefit is one of the funds managed by the Social Insurance Services and it is financed by transferring 5,7% of the total contributions paid for insured employees to the Social Insurance Fund (contributions from employers/employees and the consolidated fund of the Republic).

**Eligibility:**

An insured person is eligible to receive unemployment benefit if the following conditions apply:

- The insured person has been insured for at least 26 weeks and has paid, up to the date of unemployment, contributions on insurable earnings not lower than 26 times the weekly amount of the basic insurable earnings (0,5 insurance points); and
- The insured person has paid or been credited with contributions in the previous contribution year on insurable earnings not lower than 20 times the weekly amount of the basic insurable earnings (0,39 insurance points).

It is noted that for the purposes of the above conditions the contributions of a self-employed person are not taken into account, whilst the contributions of a voluntarily insured person are taken into account only in the case of working abroad in the service of Cypriot employer.

The claimant may be disqualified from receiving unemployment benefit up to six weeks if:

- she/ he has lost his employment through his own fault or has voluntarily left his/her employment without good cause,
- she/ he has without good cause refused or failed to apply for or accept a suitable employment offered to him/her,
- she/ he has neglected to avail himself of a reasonable opportunity for suitable employment,
- she/ he has without good cause failed or neglected to undergo occupational training as required of him/her by the Director of Social Insurance.

An insured person is also disqualified from receiving unemployment benefit for the days he is not working by reason of stoppage of work due to a trade dispute.

**Legal basis:**

The Social Insurance Law N59(I)2010-2012

The Social Insurance Regulations (Benefits) of 2010-2013

**Recent changes:**

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Registered unemployed (All) Other registered jobseekers (All)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 156 Days		
Responsible institution(s):	Social security funds		
Area of application:	National		
Implementation:	<i>Year started:</i>	1957	<i>Year Ended:</i> Ongoing

## Identification

Country Cyprus 2015 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 20 Redundancy payment

Type of action: 8.4 - Redundancy compensation

## Description

### Aim:

To protect persons employed and to eliminate the consequences of redundancy, through the redundancy payment.

### Beneficiaries:

The Termination of Employment legislation covers all employees of the public and private sectors, including apprentices. It covers also shareholders of private companies who are employed by their companies. Employees of the Government of the United Kingdom and the Navy, Army and the Air Force Institutions (N.A.A.F.I.) in Cyprus are not covered by the provisions of the legislation relating to payments due to redundancy, since their employers apply different schemes for such payments.

### Action/Instrument:

In case of payment from the Redundancy Fund the employee should submit a claim on a specific application form he/she can obtain from any Social Insurance Office or Civil Service Centre.

The application form should be submitted to the nearest Social Insurance Office or Civil Service Centre within 3 months from the day of the dismissal of the employee. However, in cases where the claimant proves that there was a good cause for the delay of submission of the application form, the payment can be made if the application form is submitted within 12 months from the day of his dismissal.

Redundancy payment is made as a lump-sum payment.

An employer who intends to terminate the employment of his employees due to redundancy, is obliged to give an advance notice of at least one month, to the Minister of Labour and Social Insurance and give number of employees likely to become redundant, the branch or branches of the business to be affected by the redundancy, the names, the occupations and the family responsibilities of the affected employees and the reasons for redundancy.

Where an employer, who has declared employees redundant, wishes, within 8 months of the redundancy, to increase his workforce he should give priority to redundant employees subject to the operational needs of the business.

The amount of redundancy payment is calculated on the basis of the employee's service and his last wages as follows:

- up to 4 years of employment '2 weeks wages for each continuous period of employment of 52 weeks
- above 4 years and up to 10 years of employment' 2 ½ weeks wages for each continuous period of employment of 52 weeks
- above 10 years and up to 15 years of employment'3 weeks wages for each continuous period of employment of 52 weeks
- above 15 years and up to 20 years of employment'3 ½ weeks wages for each continuous period of employment of 52 weeks
- above 20 years and up to 25 years of employment'4 weeks wages for each continuous period of employment of 52 weeks

In the case of a claimant who is a shareholder of a private company and who is employed in his company but not on the basis of a contract of service or under circumstances an employer and employee relationship may be inferred, the payment is equal to 1% of his weekly wage, multiplied by 52 and by the years of service.

It is noted that if the total period of continuous employment is not an integer number of years, the rest period of employment of 26 or more weeks is considered as a whole year of employment.

When the redundant employee completes the age of 64, the redundancy payment is reduced by 1/12 for every completed month above the age of 64.

### Financing/Support:

All redundancy payments are paid out of the Redundancy Fund.

The Fund is financed entirely by employer's contributions. The rate of contribution is 1,2% on employees earnings up to a

maximum amount which is fixed every year.

The Redundancy Fund is managed by the Social Insurance Services (Ministry of Labour and Social Insurance).

Eligibility:

In the case where the employment of an employee who has been continuously employed for 104 weeks by the same employer, is terminated because of redundancy, he/she is entitled to redundancy payment from the Redundancy Fund (one week of employment counts as a full week of employment in terms of the Redundancy Payment, only if the employment is 18 or more hours per week).

It is noted that the employment of a part worker by more than one employer is considered as employment by the same employer.

Moreover, it is noted that the employment of a seasonal worker who is employed every year by the same employer and his yearly average of employment in the same employer is at least 15 weeks, is considered continuous.

An employee is redundant when his employment has been terminated because:

- (a) the employer has ceased or intends to cease to carry on the business in which the employee was employed,
- (b) the employer has ceased or intends to cease to carry on business in the place in which the employee was employed,
- (c) because of the following other reasons concerned with the operation of the business:
  - modernisation, mechanization or any other change in methods of production or of organization which reduces the number of employees necessary,
  - change in the products or in production methods or in the skills needed on the part of employees,
  - closing of departments,
  - marketing or credit difficulties,
  - lack of orders or raw materials,
  - scarcity of means of production,
  - contraction of the volume of work or business.

An employee is not entitled to redundancy payment even if the dismissal is due to redundancy:

- (a) if before terminating the employment of the employee, the employer makes an offer of suitable alternative employment and the employee unreasonably refuses this offer,
- (b) when the dismissal was effected because of the transfer of the business as a going concern to a new employer who renewed the employment agreement,
- (c) when the employer is a company registered in accordance with the provisions of the Companies Act and he transfers the employee to a suitable employment in another company which is connected/related with the company in which he is employed. Two companies are considered as connected, if the one is subsidiary of the other, or if both companies are subsidiaries of a third company. The term subsidiary company is given the same meaning as that in article 148 of the Companies Act (Cap.113 and Amendment Laws), and
- (d) before the termination of the employment, another employer who is a company in which the previous employer is a major shareholder or exercises effective control, offers the employee suitable employment.

Legal basis:

The Termination of Employment Law (Law 24 of 1967-2003) and Regulations issued thereunder, the Termination of Employment (Redundancy Fund) Regulations 129/77 (basic) and 254/79,285/79,286/80,78/83,282/90 and 32/96 (amendment regulations).

Recent changes:

### **Supplementary information**

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments)

Target groups: Registered unemployed (Public priorities and Other)

Treatment of unemployment spells: Not relevant



Receipt of benefits:	Cash benefits (Source: Current intervention)			
Planned duration:	One-off			
Responsible institution(s):	Social security funds			
Area of application:	National			
Implementation:	<i>Year started:</i>	1968	<i>Year Ended:</i>	Ongoing

## Identification

Country Cyprus 2015 Category Mixed

Intervention n°/name 9 Public Employment Services

Type of action: 1.1 - Client services  
1.2.1 - Administration of LMP measures  
1.2.3 - Others services / activities  
R.2 - Individual Action Plans

## Description

### Aim:

1. To monitor the operation of the labour market (by collecting data relevant to unemployment and employment opportunities and analysing and evaluating possible consequences of developmental policies in the labour market).
2. To take part in the development and evaluation of employment and labour market policies.
3. To contribute to the smooth operation of the labour market, through the provision of free services to employees and employers in order to find jobs and cover job vacancies.
4. To provide information relevant to employment and training.
5. To manage employment programmes for specific groups of the labour force such as foreigners, women and young people.

### Beneficiaries:

1. Unemployed people.
2. Employed people seeking a better job.
3. Special groups of the population facing difficulties in finding and keeping a job (women, young people, public assistance recipients, disabled, elderly people).

### Action/Instrument:

1. Monitoring of the labour market (by collecting unemployment data and job vacancies and analysing and evaluating possible consequences of developmental policies in the labour market).
2. Participation in the development and evaluation in the labour market and employment policy.

### Financing/Support:

Regular activities of the PES are covered by the Government Budget. However, the project for "Further Enhancement and Modernisation of the PES" is co-funded by the Government (30%) and the ESF (70%). The department responsible for this intervention (operation of the PES), including the undertaken projects is the Department of Labour of the Ministry of Labour, Welfare and Social Insurance.

### Eligibility:

1. Cypriot citizens.
2. Cypriots living permanently abroad.
3. EU citizens.
3. Foreign nationals with at least one parent of Cypriot origin.
4. Foreign nationals who reside legally in Cyprus.

4. Foreign nationals who reside legally in Cyprus.

### Legal basis:

The implementation of the projects for the "Enhancement and Modernisation of PES" and for the "Further Enhancement and Modernisation of PES" is governed by the laws and regulations of the Republic of Cyprus and the European Social Fund.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Registered unemployed (All, LTU)  
Other registered jobseekers (All)

Treatment of unemployment spells:	Continuous/Continuous		
Receipt of benefits:	None		
Planned duration:	Continuously available		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1941	<i>Year Ended:</i> Ongoing

## D - Reference data

Job seekers can register with the District Labour Offices if they are at least 15 years old and they satisfy one of the conditions:

- They are Cypriot citizens living permanently in Cyprus.
- They are of Cypriot nationality residing permanently abroad.
- They are foreign nationals of Cypriot origin (Cypriot mother or father) as long as upon registration they present the appropriate documentation provided by the Ministry of Interior.
- They are citizens of a member state of the European Union and have appropriate documentation i.e. identity card or passport of country of origin
- They have been declared as political refugees by the UN High Commissioner for Refugees
- They are foreign nationals married to Cypriot citizens.

Job seekers at District Labour Offices:

- Unemployed persons
- Persons seeking a part time job,
- Persons seeking a better job,
- Persons seeking employment with a specific employer or at a specific location



# Abbreviations

Abbreviation, Description