



FOR INTERNAL USE

European Network of Public Employment Services

PES Capacity Questionnaire
Country Factsheet

Cyprus
Department of Labour (PES Cyprus)
2019



Written by ICON INSTITUT Public Sector GmbH
October 2019



EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion
Directorate B — Employment
Unit B1 — Employment Strategy

Contact: Hilde Olsen

E-mail: EMPL-PES-SECRETARIAT@ec.europa.eu

*European Commission
B-1049 Brussels*

The European Network of Public Employment Services was created following a Decision of the European Parliament and Council in June 2014¹. Its objective is to reinforce PES capacity, effectiveness and efficiency. This activity has been developed within the work programme of the European PES Network. For further information: <http://ec.europa.eu/social/PESNetwork>.

This activity has received financial support from the European Union Programme for Employment and Social Innovation 'EaSI' (2014-2020). For further information please consult: <http://ec.europa.eu/social/easi>.

LEGAL NOTICE

Neither the European Commission nor any person acting on behalf of the European Commission is responsible for the use that might be made of the following information. More information on the European Union is available on the Internet (<http://www.europa.eu>).

¹ DECISION No 573/2014/EU

About the Public Employment Service in Cyprus

Name of PES	Department of Labour
PES Website address	http://www.mlsi.gov.cy/dl
PES contact person and email address	Socrates Christodoulides schristodoulides@dl.mlsi.gov.cy

1. Background

1.1. Status of the national PES

The PES in Cyprus operates within the Department of Labour, which is attached to the Ministry of Labour, Welfare and Social Insurance. It cooperates with the Ministry of Education, Culture, Sports and Youth (MoE), government bodies, government-linked bodies (e.g. the Human Resource Development Authority) and other research centres to design human resource development activities centred on education and training. It also actively supports the free movement of European workers through the recognition of professional qualifications, Euro-Guidance and the EURES network.

The main objective of the PES is to promote full employment and quality jobs by providing:

- Work placement opportunities
- Careers guidance and referrals for vocational education and training
- Efficient utilisation of human resources and equal opportunities for all workers, particularly vulnerable groups (women, migrants, etc.).

1.2. Geographical organisation

The PES is organised according to the following structure:

Level	Description
National	<i>Head office</i> - the central coordinator and policy regulator, monitoring and controlling the activities of the district and local offices
Regional	<i>Four district employment offices</i> - responsible for the activities in the geographical districts
Local	<i>Nine local employment offices</i> - responsible for servicing jobseekers and employers at the local level.

1.3. Relationships and cooperation with other organisations

The PES operates and cooperates with a range of organisations, and with different types of relationships, the principal ones being:

- The Ministry of Education, Culture, Sports and Youth, government and government-linked bodies (e.g. the Human Resource Development Authority) and other research centres, to design human resource development activities centred on education and training.
- While the social partners are not directly involved in the management or monitoring of the PES, they are consulted from time to time.

1.4. Key PES responsibilities

The key activities and tasks and the PES responsibilities within them are set out in the table below:

Activity/Task	PES Responsibility
Implementation of services of individualised assistance (e.g. intensive counselling and guidance, job-search assistance) and follow-up for unemployed people provided as part of a planned path towards durable (re-)employment (cf. services as in Eurostat LMP database cat. 1.1.2).	Fully responsible
Implementation of ALMP (Active Labour Market Policy) measures (any measures within Eurostat LMP database Categories 2-7) financed by national funds or ESF (the European Social Fund) co-funding.	Partly responsible - the Network of PES offices acts as a mediator in the implementation of ALMPs and especially of Employment Subsidy Schemes. The PES counsellors also provide the labour market information to the Human Resource Development Authority and refer unemployed target groups to several training programmes that are customised to address labour market needs for soft and hard skills, job experience, etc. The PES is not responsible for operating the training programmes, but it is responsible for referring the right people to those programmes.
Administration of national unemployment benefit (UB) scheme (handling of UB claims, payments, financial planning and reporting, etc.)	Not responsible
Administration of social types of allowances (e.g. child allowances for UB recipients), please specify each allowance separately:	Not responsible
Administration of benefits for people with disabilities or handicapped people, please specify which exact group(s) are covered:	Not responsible
Approval of layoffs by employers. Please specify if this concerns specific conditions or situation only:	Not responsible
Licensing and supervising private employment agencies (PrES), please specify whether this covers PrES, temporary work agencies, or another type of service provision by private companies:	Partly responsible - for PrES and temporary work agencies. The PES only undertakes the inspections of the licensed PrES and the preparation of the relevant report aiming to secure the right implementation of the Law.

Activity/Task	PES Responsibility
Notification of apprenticeship places and the placement of apprenticeship candidates	Partly responsible - with the MoE. The PES is responsible for referring apprenticeship candidates to employers registering apprenticeship vacancies in the PES system.
Careers advice and guidance for young people still in education	Not responsible- However, the PES provides information about the status of the labour market and services provided by the PES upon schools' request.
Acting as Managing Authority for the ESF	Not responsible
Managing training centre for jobseekers that are an integral part of the PES	Not responsible
Issuing of work permits for third country nationals (e.g. dealing with applications, approving and issuing, keeping records, reporting, etc.)	Partly responsible – the PES only undertakes the Labour Market Test, the receipt of employers' applications and it is responsible for the examination, the sealing and the stamping of the employment contracts. However, housekeepers employed in domestic situations are under the responsibility of the Ministry of Interior.
Other – please specify: Responsible for referring candidates to be interviewed for Hourly Wage posts in different ministries of the public sector under a specific procedure that is implemented for these types of posts.	Fully responsible

1.5. PES good practice

There are no examples of good practice in the Cyprus PES identified in the European Network of PES.

Source: EC DG EMPL, PES Practices: <http://ec.europa.eu/social/main.jsp?catId=1206&langId=en>.

2. Annual expenditure

Total PES expenditure was EUR 14 million in 2018. Within this total, expenditure on staff is EUR 5 million or 33%.

The principal source of funding for PES activities is the Government Budget with some additional funds from the ESF.

Table 1. Annual expenditure summary (EUR million)

Expenditure category	2013	2014	2015	2016	2017	2018
Total PES	N/A	N/A	N/A	N/A	N/A	14
All types of benefits	N/A	N/A	N/A	N/A	N/A	N/A
ALMPs*	N/A	N/A	N/A	N/A	N/A	N/A
Staff costs	N/A	N/A	N/A	N/A	N/A	5
Staff training costs	N/A	N/A	N/A	N/A	N/A	N/A
Budget intended for other institutions	N/A	N/A	N/A	N/A	N/A	N/A
Other expenditure	N/A	N/A	N/A	N/A	N/A	N/A

* ALMP expenditure which concerns the implementation of Employment Subsidy Schemes is under the Department of Labour budget, but not included in the Total PES expenditure.

Source: The Annual PES Benchmarking Data Collection.

3. Human resources

The total number of PES staff (including those at district and local offices and at head office (Department of Labour) increased over the period 2016-2019 by 5 FTE (Full Time Equivalent) or 5% to 101 FTE at the end of April 2019. The proportion of staff directly in contact and dealing with clients substantially increased in 2018 by 30 FTE, ending the period at 90%, due to the recruitment of 30 additional counsellors to initiate a targeted individualised counselling approach programme for specific groups. Within this total, the proportion of total staff exclusively servicing employers in 2019 is 8%.

During 2019 the PES is planning to hire four employment counsellors who will be working in the network of districts and local offices.

Overall staff turnover in 2017 was 2%, and this was mainly due to retirement.

Source: PES Capacity Questionnaire

Table 2. Staffing summary (FTE, as at 30 April each year)

Staff category	2016	2017	2018	2019
Total PES staff	96	86	82	101
Of which (absolute and in % of total PES staff):				
Front office staff	72	64	61	91
% front office staff	75%	74%	74%	90%
Exclusively servicing employers	N/A	N/A	N/A	8
% exclusively servicing employers	N/A	N/A	N/A	8%
Staff turnover (for all reasons – figure for calendar year)	6%	5%	N/A	2%

*Note: There are no staff exclusively servicing clients or employers - the staff at regional and local offices service both jobseekers and employers.

Source: Responses to PES Capacity Questionnaire.

4. Registered unemployed

The number of registered unemployed jobseekers fell by 15 023 or 36% between 2013 and 2018, ending the period at 26 767. Over the 2013-2018 period, participants in ALMPs fell by 3 664 or 74%, with 1 312 in ALMP measures in 2018.

Table 3. Registered unemployed jobseekers and participants in ALMPs (average monthly stock each year)

Client Group	2013	2014	2015	2016	2017	2018
Registered unemployed jobseekers*	41 790	43 383	40 942	38 593	33 682	26 767
Participants in ALMPs**	4 976	3 814	2 217	2 626	1 064	1 312

*The number of people registered with the PES, who are available for the labour market and who are, or should be, looking for a job, excluding those on any active labour market policy (ALMP) measure.

** The number of people participating in ALMP measures in the following categories (according to the LMP database): Training (Category 2); Job rotation and job sharing (Category 4.3); Sheltered and supported employment and rehabilitation (Category 5); Direct job creation (Category 6).

Source: The Annual PES Benchmarking Data Collection.

5. Job Vacancies

The monthly average of job vacancies notified to the PES increased by 938 or 89% between 2013 and 2018, reaching 1 994 in 2018. The proportion of monthly average job vacancies notified to the PES that were filled stood at 54% in 2018, from which 20% were filled within 60 days of notification in the same year.

The share of the job finders who found their present job with PES involvement at any point has slightly increased between 2013 and 2018, ending the period at 3%.

Table 4. PES Job vacancies

Vacancy measure	2013	2014	2015	2016	2017	2018
Vacancies notified to the PES (monthly average inflow) *	1 056	1 240	1 167	1 817	1 892	1 994
Vacancies notified to the PES that were filled (monthly average outflow at the end of the month) *	794	846	736	879	1 074	1 081
Vacancies notified to the PES that were filled within 60 days of notification (monthly average outflow at end of month) *	453	491	419	477	492	404
Share of the unemployed who stated in Eurostat's Labour Force Survey that the PES was involved at any moment in finding the present job (proxy for vacancies filled with PES assistance) **	2.7%	4.5%	3.5%	3.4%	2.2%	3.0%

Source:

* The Annual PES Benchmarking Data Collection.

** The European Union Labour Force Survey (EU LFS).

6. Active labour market policies (ALMPs)

One new employment measure was introduced in 2018 (see Table 5). No amendments were made to existing measures last year.

Table 5: New ALMPs introduced in 2018

Intervention name	Target group(s)	Type
<i>Πρόγραμμα Κατάρτισης για του Λήπτες Ελάχιστου Εγγυημένου Εισοδήματος στο τομέα του Λιανικού Εμπορίου</i> <i>Training programmes for unemployed GMI recipients in the retail sector</i>	Unemployed Guarantee Minimum Income (GMI) Recipients	2

* Classification of ALMPs according to the EU LMP database: Training (Category 2); Employment incentives (including job rotation and job sharing) (Category 4); Sheltered and supported employment and rehabilitation (Category 5); Direct job creation (Category 6); and Start-up incentives (Category 7).

Source: Responses to PES Capacity Questionnaire.

Table 6. ALMPs modified in 2018

Intervention name	Target groups	Type	Main modifications
No ALMPs were modified in 2018	N/A	N/A	N/A

The following table shows the types of ALMPs that are primarily used for each of the client sub-groups listed in the table.

Table 7: Types of ALMP for specific client groups

Target group Type of ALMPs	Young people (aged under 25)	Long-term unemployed	Older workers	Disabled	Refugees*
2: Training	✓	✓	✓		
4: Employment incentives	✓		✓	✓	✓
5: Supported employment and rehabilitation					
6: Direct job creation					
7: Start-up incentives					

*Applies only to those with a temporary or permanent resident permit (status).

Source: Responses to PES Capacity Questionnaire.

7. Main strategic targets for 2018

Table 8 lists the main strategic targets set by the PES in 2018 for all clients and for sub-groups. The first column describes the indicators used, while the second column contains the actual targets set.

Two new targets (the number of team interviews between employers and unemployed and number of contacts with employers) have been set to establish new approaches to employers.

Table 8. Targets for all clients in 2018

Indicator, including target group and time frame where applicable	Target(s) set for 2018
Number of new Action Plans to be created for unemployed Guarantee Minimum Income (GMI) recipients and young unemployed, per employment counsellor, within the process of individualised guidance in the period September 2018-January 2019	48
Number of individual meetings with unemployed GMI recipients and the young unemployed who participated in the process of individualised guidance, per employment counsellor, in the period September 2018-January 2019	240
Number of referrals of unemployed GMI recipients and young unemployed people who participated in the process of individualised guidance, to vacant jobs or training, per employment counsellor, in the period September 2018-January 2019	576
Number of team interviews between employers and unemployed people for filling specific job vacancies per district office in the period September 2018 - January 2019 (one per week)	16
Number of contacts with employers per district office in the period September 2018-January 2019	480

Source: Responses to PES Capacity Questionnaire.

Supporting Youth

Implementing the Youth Guarantee

Responsibilities for the Youth Guarantee

The Department of Labour and the PES act as the coordinating bodies for the implementation of the Youth Guarantee (YG). Other key players include the Human Resource Development Authority, the Cyprus Productivity Centre, the Ministry of Commerce, the Ministry of Education, Culture, Sports and Youth (MoE), the Social Welfare Services, and youth organisations.

The responsibilities of the PES for implementing the YG include the following:

- Management and coordination the national YG scheme
- Implementation (the PES is just one of the implementers of the national YG scheme)
- Registration of young people
- Provision of PES services including YG services to young people
- Coordination of partners
- Outreach to NEETs (people not in education, employment or training)
- Follow-up of all young people who received YG services
- Design and maintenance of the YG monitoring system (including indicators).

The YG is mainstreamed into the activities of the PES which means, in practice, that the role of PES counsellors is to make a suitable employment or training offer to beneficiaries of the YG. Registration with the PES is also the entry point to the scheme.

Involving young people and youth organisations

The PES itself has not involved young people in the design/re-design or improving its YG services. However, the National Action Plan for Youth was drafted by a working group with the participation of all stakeholders. The Youth Board was also consulted during the design phase. Over the period April 2017-April 2019, further involvement of youth organisations in designing/re-designing/improving the YG services has been ensured through an exchange of information about:

- The participation of youth in self-employment schemes and implemented active labour market measures;
- The characteristics of unregistered NEETs that visited the Youth Board website and any possible enquiries submitted by them regarding training or employment opportunities.
- The youth organisations also contributed to informative materials on the e-platform and the Youth Board website.

Partnerships in place and main developments

The PES has three types of partnerships in place for the implementation of the YG:

1. *Partnerships ensuring that young people have full information and full support available to them* – outreach activities are delegated to the Youth Board of Cyprus and other youth organisations whose role is to promote the opportunities available under the YG to young people. The Careers Guidance Services of the Ministry of Education, Culture, Sports and Youth provide support and guidance to young people. There have been no significant developments within the past 24 months (April 2017-April 2019).

2. *Partnerships aimed at increasing employment, apprenticeship and traineeship opportunities* – in collaboration with the Ministry of Energy, Commerce, Industry and Tourism which promotes youth entrepreneurship as a viable career option. The Human Resource Development Authority is responsible for delivering vocational training programmes that are available as part of the YG. There have been no significant developments within the past 24 months.
3. *Partnerships that support transitions from unemployment, inactivity or education into work.* The Ministry of Education, Culture, Sports and Youth is responsible for implementing policies to ease the transition from school to work (i.e. strengthening career education and counselling, and the provision of return to school and second chance programmes) and for keeping track of early school leavers. In the past 24 months, the main developments of this type of partnership included a technical committee that has been appointed in Cyprus, consisting of governmental and non-governmental departments/services. Similar structures have been established at the regional level (regional technical committees) composed of representatives of the social partners, local authorities, various Ministries and other public bodies. Their purpose is to share specific information and to create synergies between PES and other providers of YG interventions.

New projects focusing on young people

A new project is under implementation from the Ministry of Education, Culture, Sports and Youth in cooperation with the Department of Labour, consisting of career counselling services targeting NEETs below age 29. The counselling and vocational guidance programme should be provided to 4 000 people. At the end of the counselling process, the young people are referred to the PES for further support, such as vocational training programmes or labour market integration.

Resources for implementing the Youth Guarantee

Human resources

At the end of April 2019, the PES had staff members dedicated to the implementation of the Youth Guarantee though they do not work on this exclusively.

30 FTE temporary employment counsellors have been recruited (for 24 months) to provide individualised counselling and other services to 4 000 NEETs who will be referred to the PES by the Ministry of Education, Culture, Sports and Youth through the project promoting outreach activities to NEETs. All are client-facing employment counsellors.

Over the past 24 months (April 2017-April 2019) over 75% of PES staff have participated in training on specific aspects of the YG, such as: counselling, careers guidance, how to work with youth, the activation of youth, communication, working with marginalised youth, case management, specific services and ALMPs for youth, interviewing techniques and drafting individual action plan.

Funding for youth programmes (planned)

Specific YG measures are principally funded by the ESF with further resources from government funds and the YEI (Youth Employment Initiative).

Reaching out to young people, including NEETs

The Ministry of Education, Culture, Sports and Youth has full responsibilities for outreach activities. But the PES cooperates with other partners in implementing some outreach interventions:

- *Proactive work with schools* - Based on requests from the MoE, the PES disseminates information in schools about its role as part of the labour market and on employment and training opportunities;

- *Cooperation with NGOs, youth organisations* - PES participates in technical committees at the regional level to promote awareness-raising outreach campaigns and events aimed at unregistered youth;
- *Providing new points of YG entry: Internet and social media services* - Implemented through the cooperation with the Youth Board (e-platform and website of the Youth Board);
- *Awareness raising events or campaigns* - Through participation in technical committees at regional level for promotion of informative campaigns and events to outreach unregistered youth.

Information management

The PES has access to the following sources of information:

- Database of traineeship vacancies
- Benefits (GMI) database where information on the status of benefit recipient can be accessed
- Candidate Placement System database, which is the in-house registration system for jobseekers and vacancies. Most of the information used by the PES for implementing the YG is extracted from this system.
- Database of HRDA (Human Resource Development Authority) - Data concerning youth participation in training programmes.

Timing in the provision of PES services

The average time between jobseekers' registration in the Youth Guarantee scheme and their first meeting is around 2 weeks.

The average time for making an offer to a jobseeker after registration in the Youth Guarantee scheme is within 1 month.

Monitoring and evaluation

Time-bound targets

- Within the period of March–June 2019 each employment counsellor has to (i) support 24 young jobseekers, aged 15-29, to develop their Individualised Action Plans (IAPs), (ii) to organise about 5-6 meetings with jobseekers, (iii) to make at least 10-12 referrals to job vacancies (for each jobseeker) and (iv) to follow up the jobseekers in their implementation of the IAPs.

Monitoring and evaluation activities

No specific activities are listed whereby the PES monitors or evaluates the YG services it provides. However, the electronic system for the monitoring and evaluation of the implementation of the ALMPs started operating in 2019. It is expected that this system will provide useful information about youth activation measures implemented by the relevant stakeholders of the labour market.

Moreover, a satisfaction survey for employers, prepared and used for the purpose of the 'Employers' Day', will be upgraded and implemented in the near future and it aims to upgrade the services provided to employers.

Mutual learning activities

During the period April 2017-April 2019 PES staff took part in the following mutual learning or technical assistance activities related to youth:

Name of event or activity	Location and Host	Date
Two meetings with technical support on outreach to NEETs	Cyprus	March 2018 and April 2019
Mutual learning with technical support on outreach for NEETs projects	Belgium	September 2018
Mutual learning with technical support on outreach for NEETs projects	Portugal	October 2018