

INDICATORS OF PARTICIPATION IN HRDA'S ACTIVITIES 2011 - 2017

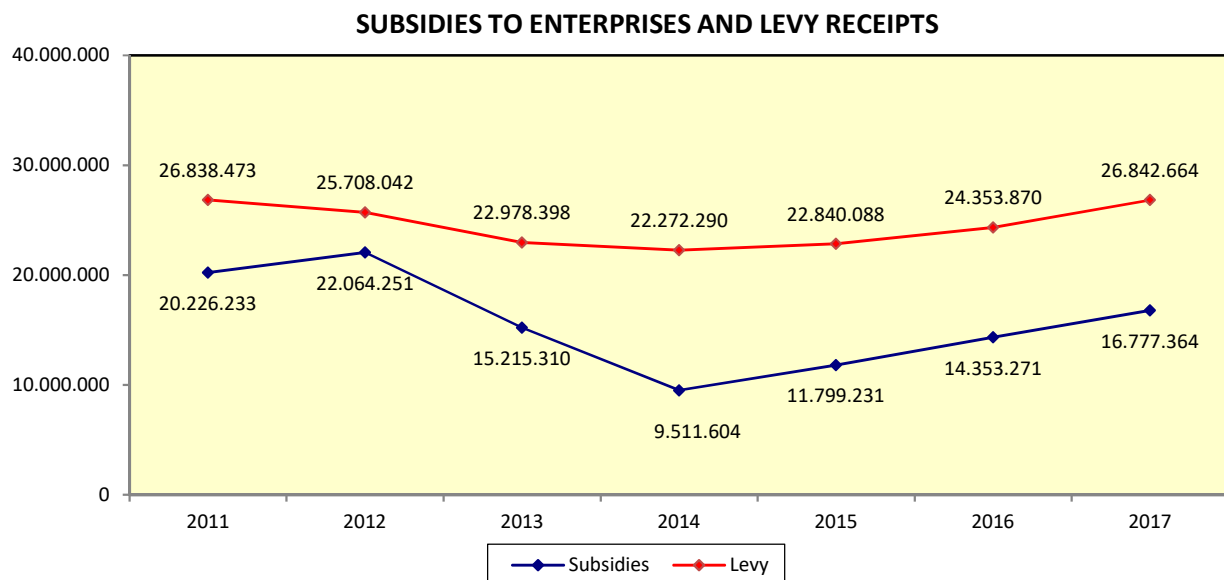
The HRDA considers the **assessment and evaluation of its activities and actions and its overall contribution** towards the Cypriot economy and society to be of vital importance. The aim is to identify possible weaknesses in order to take appropriate policy decisions and relevant corrective measures and, at the same time, to promote good governance and transparency.

The HRDA prepares the study "Indicators of Participation in HRDA's activities» on a regular basis. **The main objective of the study** is the analysis of the participation in HRDA's activities during the period 2011 – 2017. The study analyses the number of enterprises which participated and received subsidies, the number of eligible enterprises which paid the Human Resource Development Levy, the subsidies provided to enterprises by the HRDA and the levy paid by enterprises.

The analysis includes those Schemes for which the enterprises receive a subsidy for the participation of their employees and does not include all the Schemes from which they benefit, such as the Schemes providing job placements for the unemployed for the acquisition of work experience.

A. Overall Picture of Coverage Indicators for the HRDA's Activities

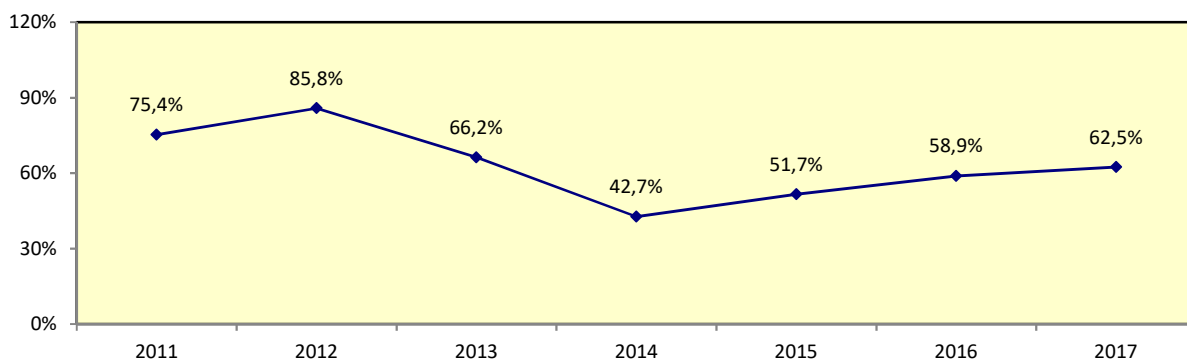
Both the **HRDA subsidies to enterprises** and the **Human Resource Development Levy contributions** from enterprises have **increased during 2017** compared to 2016 amounting to €16,8m¹ (+16,9%) and €26,8m (+10,2%) respectively.



The **percentage coverage indicator of HRDA's subsidies to levy receipts** is calculated by dividing subsidies with levy receipts. In **2017**, the indicator has shown a **significant increase** and reached **62,5%** compared to 58,9% in 2016.

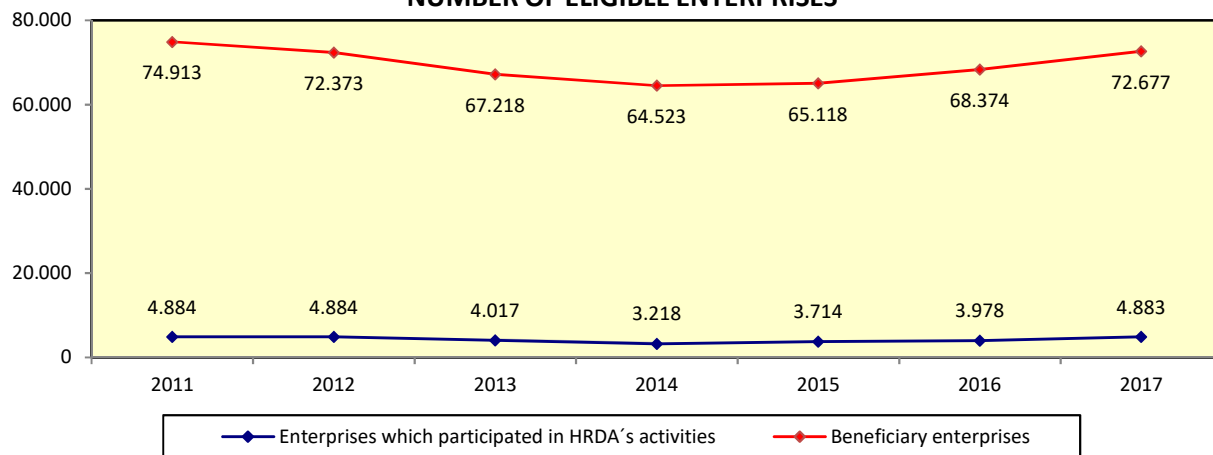
¹ In 2017, the total HRDA expenditure for human resource development, including the Schemes for the unemployed, amounted to €17.706.523. Thus the subsidies granted to enterprises correspond to 94,8% of total expenditure.

**PERCENTAGE COVERAGE INDICATOR OF HRDA'S SUBSIDIES
TO LEVY RECEIPTS**



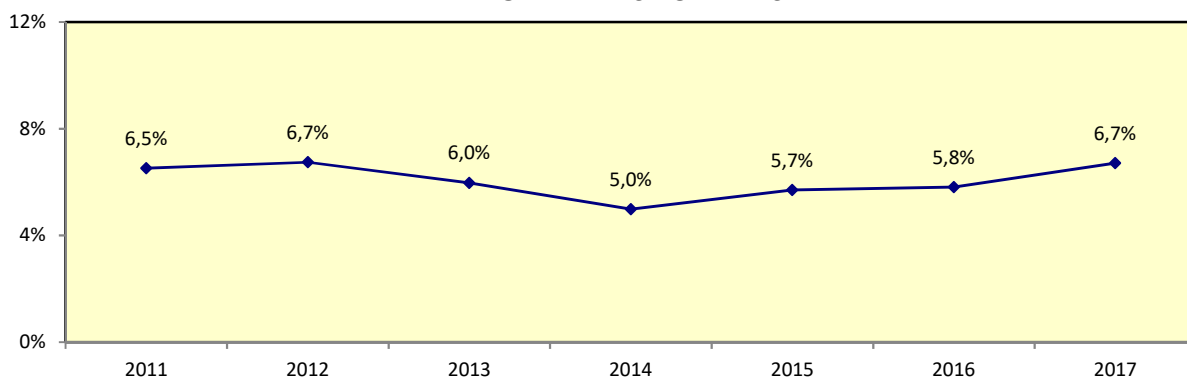
In 2017, the **number of enterprises which participated in the HRDA's activities** that provide subsidies to enterprises, has shown a significant increase and reached 4.883 enterprises (+22,8% compared to 2016), while the **number of eligible enterprises** has increased to **72.677** (+6,3% compared to 2016).

**NUMBER OF ENTERPRISES WHICH PARTICIPATED IN HRDA'S ACTIVITIES AND
NUMBER OF ELIGIBLE ENTERPRISES**



The **percentage coverage indicator of enterprises benefiting from HRDA's activities** that provide subsidies to enterprises, is calculated by dividing the number of participating enterprises with the number of eligible enterprises. In **2017**, the indicator exhibited **significant increase** and reached **6,7%** compared to 5,8% in 2016.

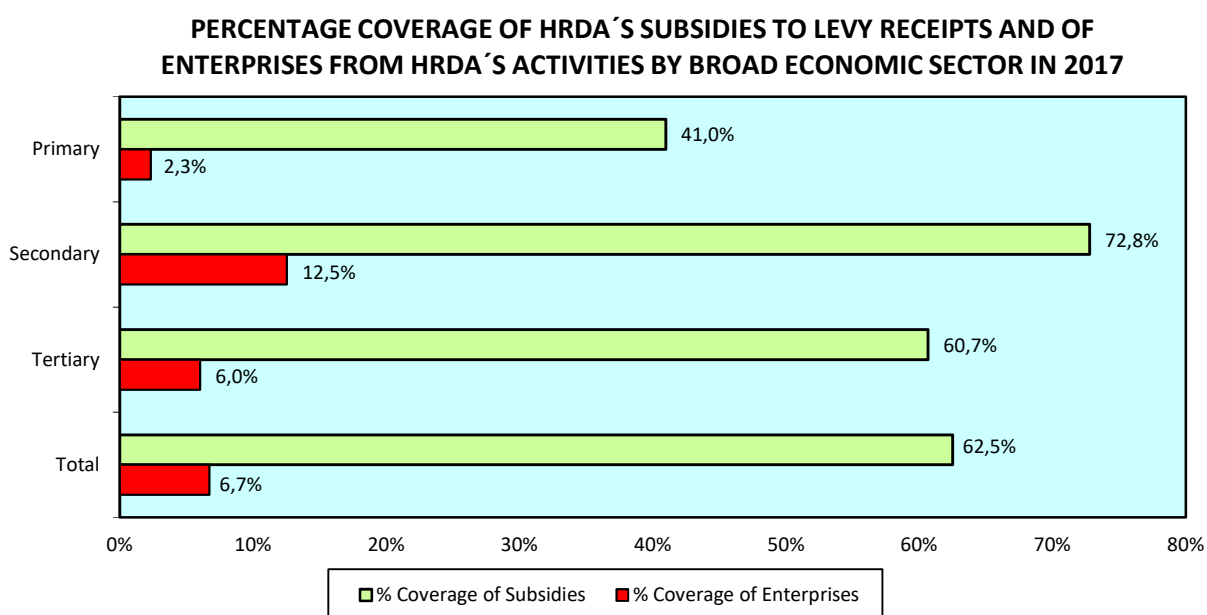
**PERCENTAGE COVERAGE INDICATOR OF ENTERPRISES BENEFITING
FROM HRDA'S ACTIVITIES**



The development of the above indicators reflects the **planned adjustment of HRDA's priorities and resources**, in 2013 and 2014, towards actions for improving the employability of the unemployed, such as training and acquisition of work experience, while during the period 2015 - 2017 the recovery of the economy led to increases in the coverage indicators of HRDA's subsidies and enterprises.

B. Coverage Indicators by Economic Sectors in 2017

In 2017, the **secondary sector**² had the highest percentage coverage of HRDA's subsidies to levy receipts and of enterprises from HRDA's activities (72,8% and 12,5% respectively). On the contrary, the **primary sector**³ had the lowest percentages (41,0% and 2,3% respectively). In the **tertiary sector**⁴, the percentage coverage of subsidies was 60,7% and the percentage coverage of enterprises was 6,0%.



The sectors with the **highest percentage coverage of subsidies in 2017** were the **Professional, scientific and technical activities, Health and social work activities, Hotels and restaurants and Construction**. Correspondingly, the sectors with the **highest percentage coverage of enterprises** were **Mining and quarrying, Activities of extraterritorial organisations and bodies, Public administration and defence and Water supply, sewerage, waste management and remediation activities**.

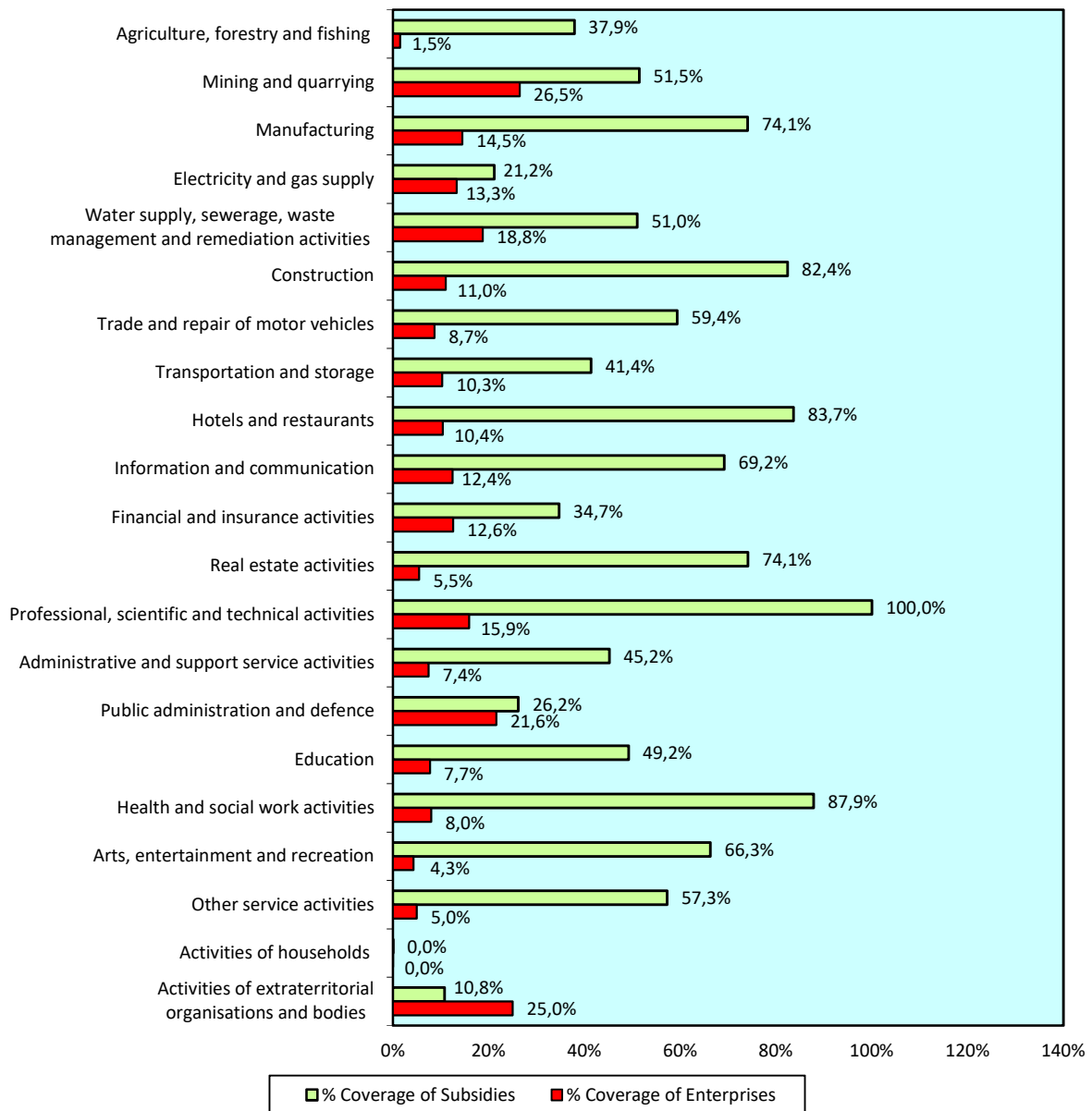
Excluding the Activities of households, the **sectors with the lowest percentage coverage indicators** are **Agriculture, forestry and fishing, Arts, entertainment and recreation and Real estate activities**. Possible reasons for the low participation could be the characteristics of these sectors, such as the small size of the enterprises, the problems they encounter for releasing their staff and the limited supply of training programmes that meet their needs. The **targeted supply of training activities**, taking into consideration the **characteristics of each sector**, combined with the **appropriate information** for the availability of such programmes, are important factors for **increasing their participation**.

² The **secondary sector** includes the following sectors: Manufacturing, Electricity and gas supply, Water supply, sewerage, waste management and remediation activities and Construction.

³ The **primary sector** includes the following sectors: Agriculture, forestry and fishing and Mining and quarrying.

⁴ The **tertiary sector** includes the following sectors: Trade and repair of motor vehicles, Transportation and storage, Hotels and restaurants, Information and communication, Financial and insurance activities, Real estate activities, Professional, scientific and technical activities, Administrative and support service activities, Public administration and defence, Education, Health and social work activities, Arts, entertainment and recreation, Other service activities, Activities of households and Activities of extraterritorial organisations and bodies.

PERCENTAGE COVERAGE OF HRDA'S SUBSIDIES TO LEVY RECEIPTS AND OF ENTERPRISES FROM HRDA'S ACTIVITIES IN THE 21 MAIN ECONOMIC SECTORS FOR 2017



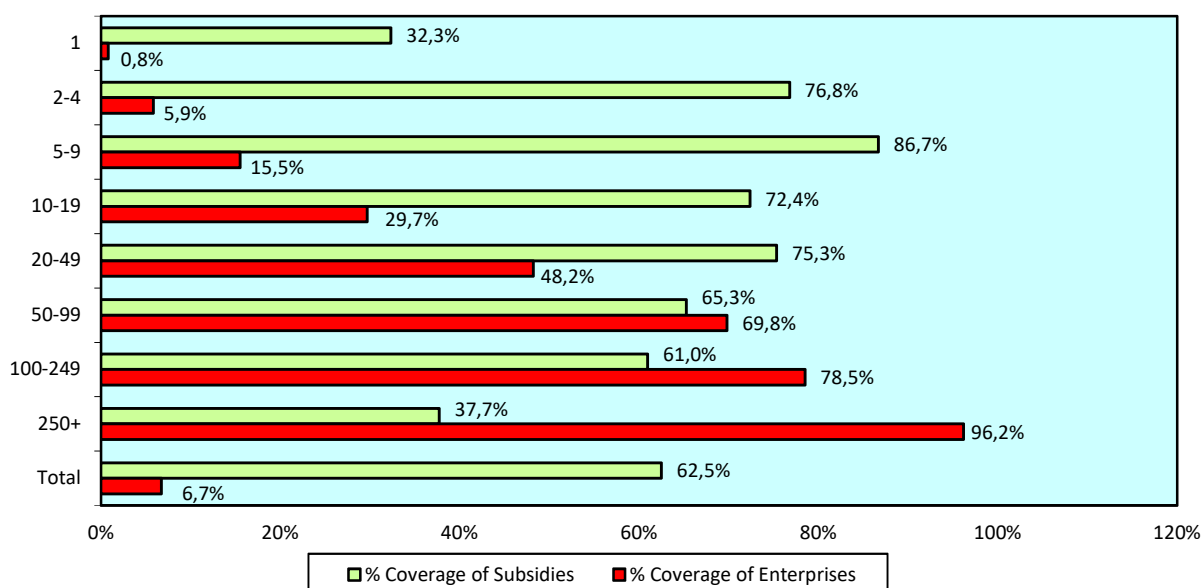
C. Coverage Indicators by Size of Enterprise in 2017

Although the **participation of small enterprises in HRDA's activities is quite low, these seem to benefit more, with considerable subsidies**, compared to the rest, since they have the highest percentage coverage of subsidies. This indicates the important benefits, that small enterprises participating in HRDA's Schemes enjoy.

The **limited participation of small enterprises in HRDA's activities** reflects the particular problems that these enterprises experience because of their size. The limited information, the difficulty in organising and implementing training programmes and the difficulties they encounter in releasing their staff are reasons restricting their participation in lifelong learning activities. An increase in their participation may be achieved through the **supply of programmes that better match their needs regarding the content and the training method used**, especially through the use of flexible arrangements (for example programmes that combine training with practical coaching in the enterprise or learning through modular

programmes of limited duration outside working hours), **the provision of information for available programmes** and raising **awareness on the benefits** of participation in lifelong learning activities.

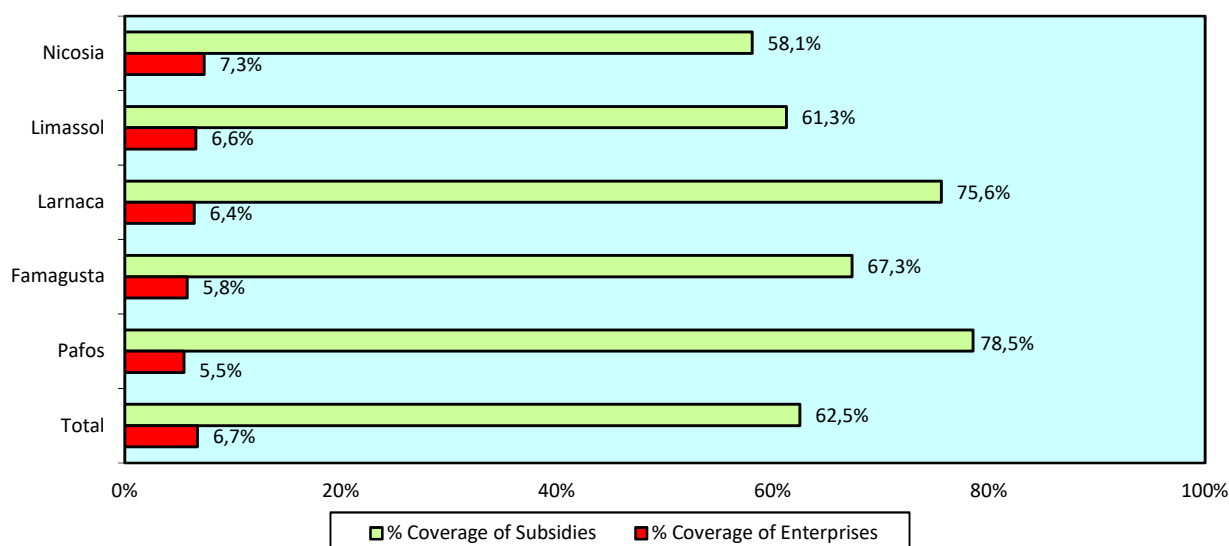
PERCENTAGE COVERAGE OF HRDA'S SUBSIDIES TO LEVY RECEIPTS AND OF ENTERPRISES FROM HRDA'S ACTIVITIES BY SIZE OF ENTERPRISE IN 2017



D. Coverage Indicators by District in 2017

The **highest percentage coverage of HRDA's subsidies** to levy receipts in 2017 were observed in **Pafos (78,5%)** and in **Larnaca (75,6%)**. Although **Nicosia** had the **highest percentage coverage of enterprises (7,3%)**, it also had the **lowest percentage coverage of subsidies (58,1%)**.

PERCENTAGE COVERAGE OF HRDA'S SUBSIDIES TO LEVY RECEIPTS AND OF ENTERPRISES FROM HRDA'S ACTIVITIES BY DISTRICT IN 2017



The **future increased participation of enterprises** in all districts outside Nicosia in HRDA's activities depends on the **provision of training programmes which are compatible with their characteristics regarding their activities and size**. Information on the availability of programmes, utilising all appropriate communication channels may also lead to further participation while targeted actions towards sectors on which these districts rely, such as construction and tourism, are also important.