


Financing adult learning database

Name of the instrument - Local language	Ταμείο Ανάπτυξης Ανθρώπινου Δυναμικού-Αρχή Ανάπτυξης Ανθρώπινου Δυναμικού Κύπρου - Μονοεπιχειρησιακά Προγράμματα Προγράμματα στην Κύπρο
Name of the instrument - English translation	Human Resource Development Fund - Human Resource Development Authority of Cyprus (HRDA)- Single-Company Training Programmes in Cyprus
Scheme ID	34
Country	 Cyprus
Reporting year	2015
Type of instrument	Training fund
Type of entry	Single instrument

Short description	All companies in Cyprus are obliged to contribute a fixed share of their payroll costs (0.5%) to a training fund and may receive contributions to their training costs in return. This scheme represents a specific funding scheme within this fund. Companies receive a grant to cover a part of their costs for domestic VET programmes as well as for specific thematic funding programmes.
Short description of the related instruments	nap

Level of operation	National
Name of a part of the country	nap
Name of the region (for regional instruments)	nap
Name of the sector (for sectoral instruments)	nap
Legal basis	Industrial Training Law (1974), Human Resource Development Law 125(1)/1999
Objective(s) and target(s)	To create the necessary prerequisites for the planned and systematic training and development of Cyprus's human resources, at all levels and in all sectors, for meeting the economy's needs, within the overall socio-economic policies.

Year of implementation	1979
Year of latest amendment	2007
Operation/management	<p>The Human Resource Development Authority of Cyprus (HRDA) is a semi-governmental organisation. Its mission is to "create the conditions for the planned and systematic training and development of human resources of Cyprus, at all levels and in all sectors, for meeting the economy's needs in the context of social and economic policies". The main source of income comes from the Human Resource Development levy of 0.5% on the payroll of all employers, excluding the government. Civil servants and the self-employed are excluded from the HRDA's sphere of competence. The HRDA is governed by a 13-person strong Board of Directors, which has a tripartite character; the Board includes 5 representatives of the government and 8 representatives of the most significant employer organisations and trade unions.</p>
Eligible group(s)	All companies/organisations that pay the levy; the levy is mandatory, so essentially, all employers but the government.
Group(s) with preferential treatment	SMEs
Education and training eligible	HRDA funds IVET and CVET programmes (single and multiple-company ones) that take place in Cyprus or abroad. The Authority also funds and runs initiatives to tackle unemployment (such as funding of training of the unemployed, economically inactive women etc.). Under specific schemes, HRDA also funds placement of unemployed graduates in companies.
Source of financing and collection mechanism	<p>Levy on companies EU funds Other sources of funding (e.g. loans, donations, fines, grants etc.)</p> <p>The companies are obliged to contribute 0,5% of their total payroll costs to the fund (the law allows to set up the rate up to 1%). The rate is the same for all contributors (all companies except government organisations and self-employed). The money is collected via the social insurance mechanism.</p>
Financing formula and allocation mechanisms	<p>Beneficiaries receive 60%-70%- 80% of the cost for eligible expenses, depending on the size of the company. Maximum amount of funding is calculated as: number of participants x training duration x hourly grant per participant.</p> <p>Each beneficiary/employer can receive a subsidy that is calculated as the lesser amount between "authorised aid" and "maximum grant". The authorised aid is calculated= "aid intensity" (%) x total accepted eligible expenses. For Single-Company Training, the aid intensity can be up to 80%.</p> <p>The training duration is determined in hours, according to</p>

	<p>the pre-approved training structure. The hourly grant is determined by the HRDA for each level of funding and holds without discrimination for all beneficiaries employers. For Single-Company Training Programmes in Cyprus the HRDA has defined two grant levels. The level of grant of each training programme approved by the HRDA, is determined by the level of programmes' content and level of participants (e.g. lower staff; technical staff; management) in the group. When the group of participants is of mixed level, the grant level is determined according to the lowest level participants.</p> <p>For programmes starting in 1/1/2015 the maximum hourly grants are calculated as:</p> <ul style="list-style-type: none"> - Level 1: EUR 12/hour/person. Total hourly grant: EUR 36 (minimum), EUR 192 (maximum) - Level 2: EUR 17/hour/person. Total hourly grant: EUR 51 (minimum), EUR 272 (maximum) <p>he two levels of participants are defined as:</p> <p>Level of participants 1: a) for technical skills and knowledge: key personnel such as craftsmen, labourers, clerical staff, service employees; b) personal skills: key personnel such as craftsmen, labourers, clerical staff, service employees, supervisory / managerial staff</p> <p>Level of participants 2: a) specialised professional / technical knowledge and skills: technical / science / supervisory / managerial staff; b) supervisory / managerial knowledge and skills: supervisory / managerial staff; c) specialised / Innovative topics: managerial and scientific staff</p> <p>Following the de minimis aid Council Regulation 1407/2013, a company cannot receive more than EUR 200 000 in a three-year time horizon.</p> <p>Allocation: The funding is transferred (as reimbursement of the costs) directly to a bank account of the owner/company/organisation. Companies that meet the predetermined criteria (set in the HRDA's schemes) receive the grant.</p>
Eligible costs	Fees and other costs related to education and training (e.g. cost for internal training personnel/external trainer, costs of materials, equipment, cost of staff in training, travel and accomodation of trainer if s/he lives abroad, administrative costs)
Frequency of the use	Each year
Volumes of funding	<p>In 2013, EUR 4 683 829 were used for funding of employees. In 2012, the amount was EUR 7 250 075.</p> <p>Overall funds disbursed to CVET programmes (including single-company programmes):</p> <p>2012: EUR 16 349 999 2013: EUR 10 173 321 2014: EUR 6 991 369</p> <p>Overall funds collected:</p> <p>2012: EUR 29 369 441 (EUR 26 169 814 from Human Development Fee) 2013: EUR 28 577 879 (EUR 23 668 390 from Human Development Fee)</p>

2014: EUR 34 206 639 (EUR 22 742 463 from Human Development Fee)

Funds disbursed per size of company:

self-employed (1 person)

2011: EUR 656 957

2012 EUR 657 636

2013 EUR 560 532

micro companies (1-9 employees)

2011: EUR 6 298 179

2012: EUR 6 660 054

2013: EUR 4 761 874

small-medium companies (10-49 employees)

2011 EUR 5 712 611

2012 EUR 6 533 329

2013 EUR 4 294 605

medium companies (50-249 employees)

2011: EUR 3 908 566

2012: EUR 4 126 190

2013: EUR 2 815 433

large companies (250+ employees)

2011: EUR 3 849 061

2012: EUR 4 222 502

2013: EUR 2 854 275

Funds collected from companies by size:

self-employed (1 person)

2011 EUR 1 408 536

2012 EUR 1 372 084

2013 EUR 1 250 082

micro companies (1-9 employees)

2011 EUR 6 815 648

2012 EUR 6 554 656

2013 EUR 5 852 448

small-medium companies (10-49 employees)

2011 EUR 6 519 044

2012 EUR 6 262 520

2013 EUR 5 460 597

medium companies (50-249 employees)

2011 EUR 6 301 518

2012 EUR 5 947 255

2013 EUR 5 410 582

large companies (250+ employees)

2011 EUR 7 202 817

2012 EUR 6 944 048

2013 EUR 6 255 073

Beneficiaries/take up

Overall, 3 127 single-company programmes held in Cyprus were funded in 2013 and 5 776 in 2012.

In 2013, 32 422 individual trainees (18 538 male and 13 884 female) were funded and in 2012, 59 277 trainees (32 176 male and 27 101 female).

Beneficiaries of HRDA funds per size of company

	<p>(beneficiaries/eligible companies):</p> <p>micro-companies (1-9 employees) 2011: 2 666/ 70 151 (3,8%) companies 2012: 2 620/ 67 809 (3,9%) 2013: 2 090/ 63 086 (3,3%)</p> <p>self-employed (1 person-company) 2011: 412/ 44 794 (0,9%) 2012: 411/ 43 424 (0,9%) 2013: 365/ 40 496 (0,9%)</p> <p>small and medium companies (10-49 employees) 2011: 1 446/ 4 050 (35.7%) 2012: 1 472/ 3 894 (37,8%) 2013: 1 187/ 3 485 (34,1%)</p> <p>medium companies (50-249 employees) 2011: 469/ 637 (73,6%) 2012: 443/ 596 (74,3%) 2013: 394/ 570 (69,1%)</p> <p>large companies (250+ employees) 2011: 92/ 96 (95,8%) 2012: 87/ 91 (95,6%) 2013: 81/ 86 (94,2%)</p>
Organisation responsible for monitoring/evaluation	Human Resource Development Authority of Cyprus (HRDA).
Most relevant webpage - in English	http://www.hrdaauth.org.cy/
Most relevant webpage - local language	na
Sources	<p>HRDA 2013 Annual Report</p> <p>http://www.hrdaauth.org.cy/el/%CE%B7-%CE%B1%CE%BD%CE%B1%CE%B4-%CE%B5%CF...</p> <p>HRDA Manual/Guide for Single-Company Training Programmes, September 2014</p> <p>http://www.hrdaauth.org.cy/easyconsole.cfm/page/project/p_id/181/pc_id/1...</p> <p>Ministry of Labour and Social Insurance: Guide for Employers</p>