

TRENDS OF HRDA'S ACTIVITIES INDICATORS 2008-2014

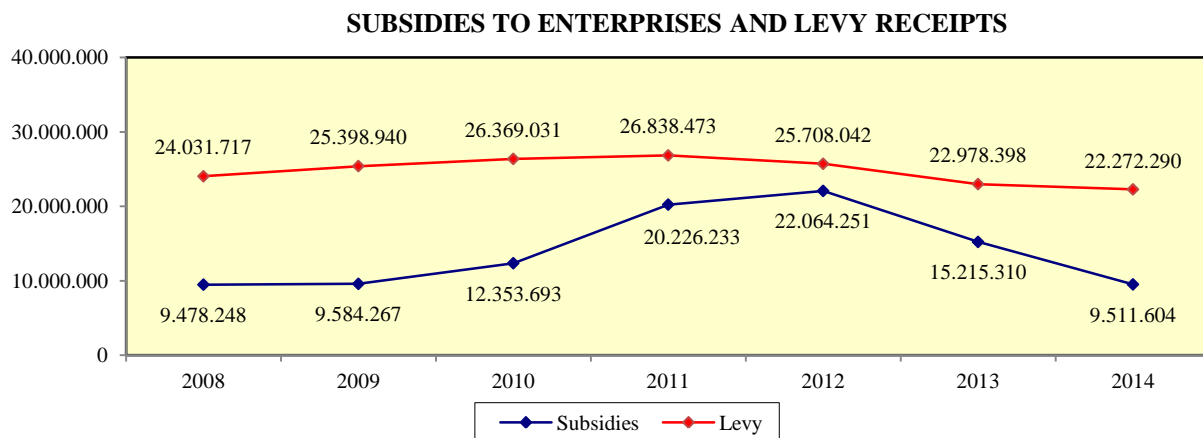
The **assessment and evaluation of its activities and its contribution** towards the socioeconomic environment of Cyprus, is considered by the HRDA to be of vital importance. The aim is to identify possible weaknesses in order to make appropriate policy decisions and take relevant corrective measures and at the same time, to serve the quest for good governance and transparency.

In this context, the HRDA prepares the study "Trends of HRDA's activities indicators» on a regular basis. **The main objective of the study** is the analysis of the participation in the HRDA's activities during the period 2008 - 2014, and specifically 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.

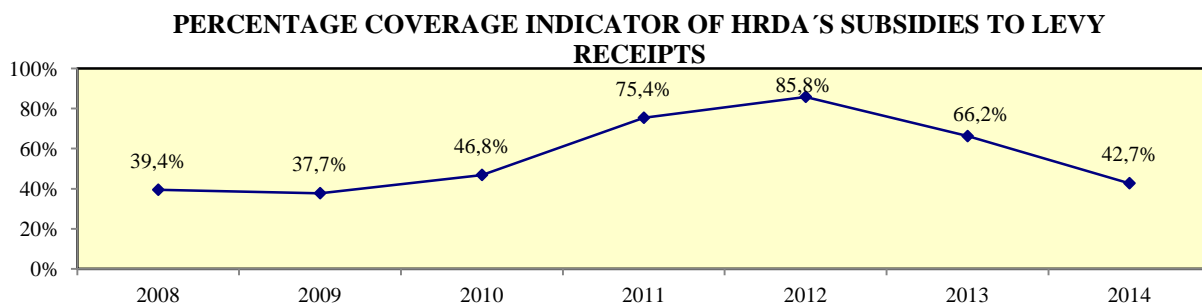
It must be noted that the analysis includes the Schemes for which the enterprises get a subsidy for the participation of their employees and does not include all the Schemes from which they benefit, such as the Schemes providing job placements for the unemployed for the acquisition of work experience.

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 decreased during **2014** compared to 2013 amounting to €9,5m¹ (-37,5%) and €22,3m (-3,1%) respectively.

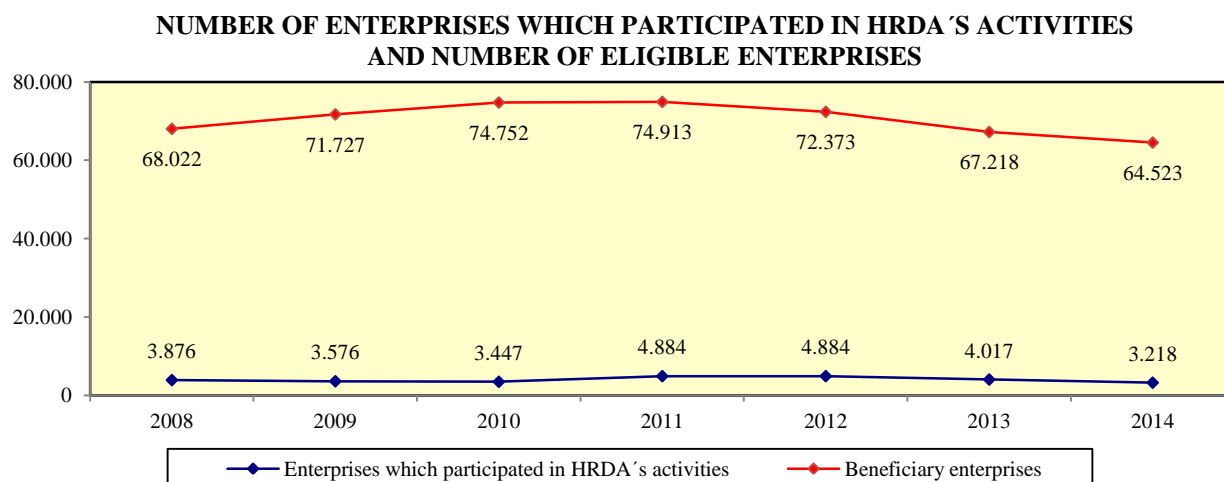


The **percentage coverage indicator of HRDA's subsidies to levy receipts** is calculated by dividing subsidies with levy receipts. In **2014**, the indicator has shown a **drastic decrease** and dropped to **42,7%** compared to 66,2% in 2013.

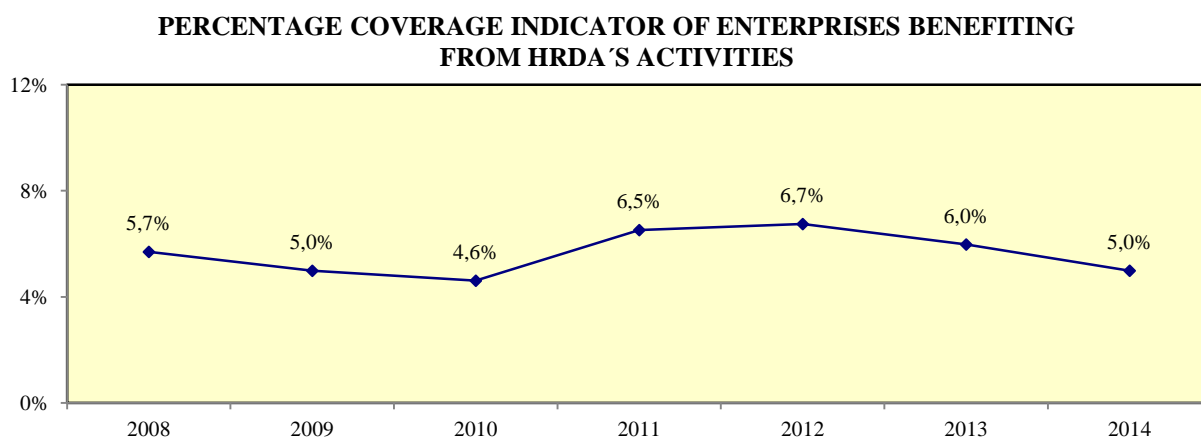


¹ In 2014, the total HRDA expenditure for human resource development, including the Schemes for the unemployed, amounted to €21,9m.. Thus the subsidies granted to enterprises correspond to 43,4% of total expenditure.

In 2014, the **number of enterprises which participated in the HRDA's activities** that provide subsidies to enterprises, has shown a considerable decrease dropping to 3.218 enterprises (-19,9% compared to 2013), while the **number of eligible enterprises has decreased to 64.523** (-4,0% compared to 2013).



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 2014, the indicator **has decreased to 5,0%** from 6,0% in 2013.



The development of the above indicators reflects the **planned adjustment of the HRDA's priorities and resources**, in 2013 and 2014, towards actions for improvement of the employability of the unemployed, such as training and acquisition of work experience.

B. Coverage Indicators by Economic Sectors

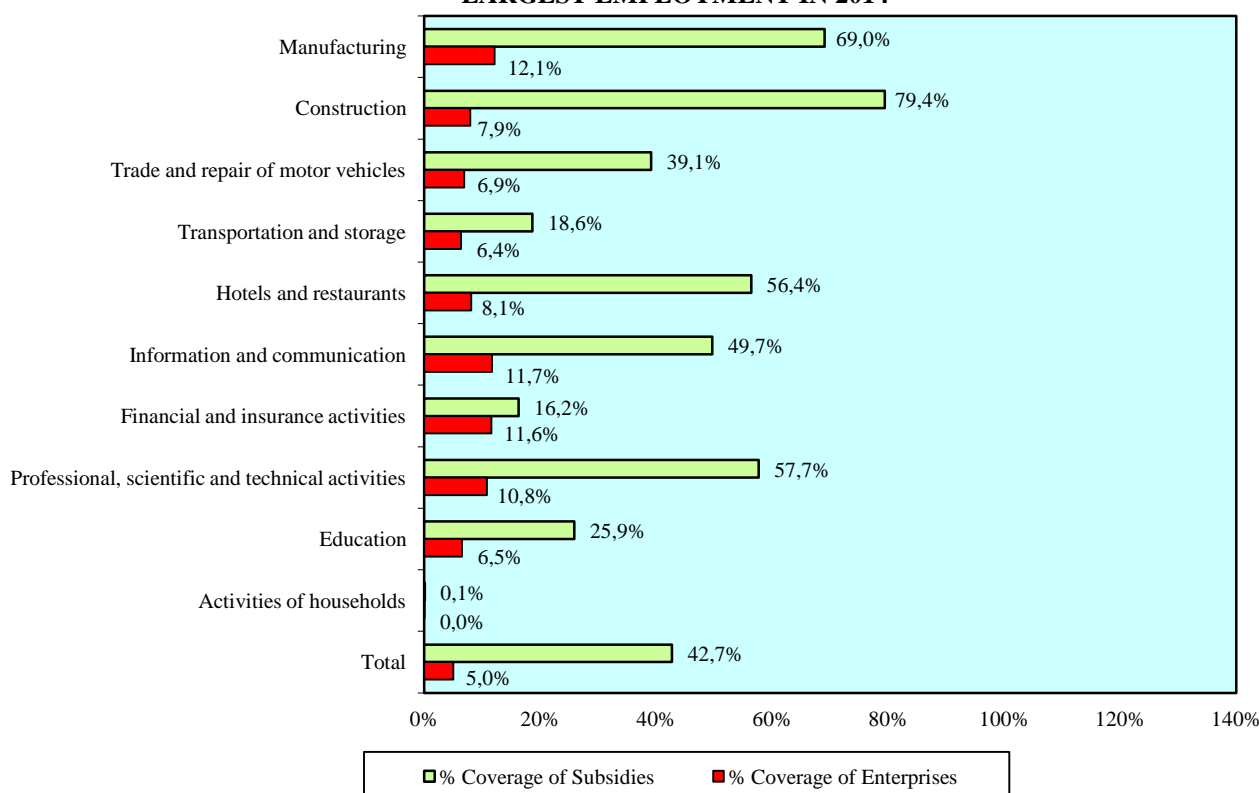
In 2014, the **secondary sector**² had the highest percentage coverage of HRDA's subsidies to levy receipts and of enterprises from HRDA's activities (70,3% and 9,8% respectively). On the contrary, the **primary sector**³ had the lowest percentages (31,8% and 2,0% respectively). In the **tertiary sector**⁴, the percentage coverage of subsidies was 37,2% and the percentage coverage of enterprises was 4,4%.

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 10 SECTORS WITH THE LARGEST EMPLOYMENT IN 2014



The sectors with the largest employment in 2014, which had the **highest average percentage coverage of subsidies and enterprises** during the period 2010 - 2014, are the **Professional, scientific and technical activities, Manufacturing, Information and communication, Construction and Hotels and restaurants.**

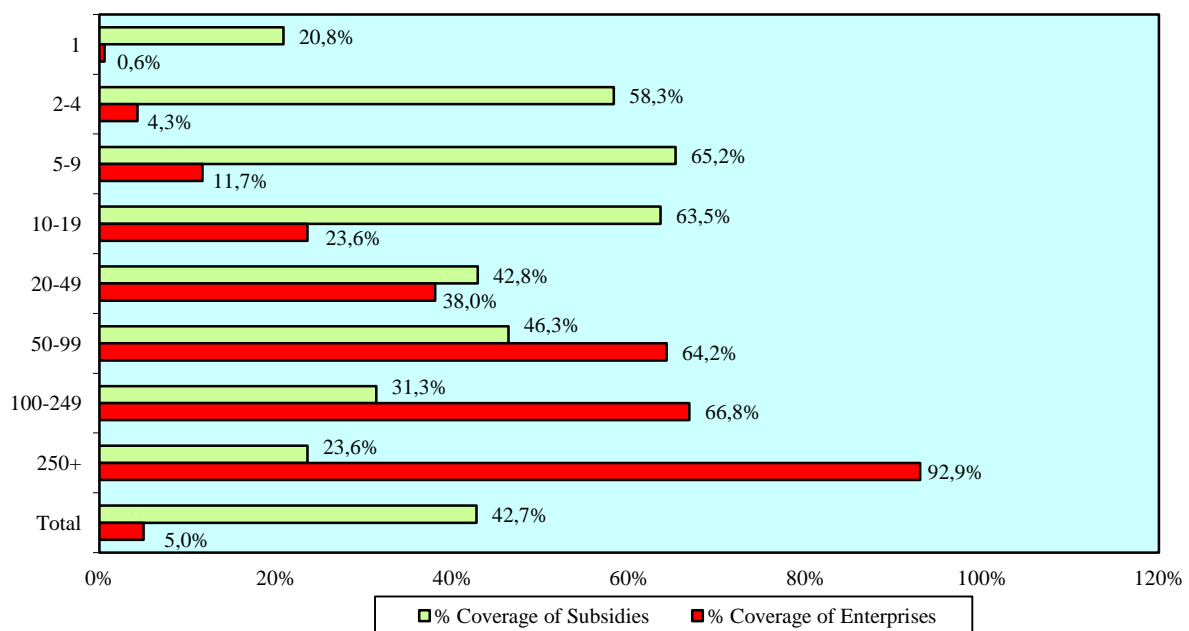
With the exception of the Activities of households, the **sectors with the lowest percentage coverage indicators are Agriculture, forestry and fishing, Arts, entertainment and recreation and Real estate activities.** The possible reasons for the low participation could be the characteristics of these 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 programs, are important factors for **increasing their participation.**

C. Coverage Indicators by Size of Enterprise

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, which small enterprises enjoy by participating in HRDA's Schemes.

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

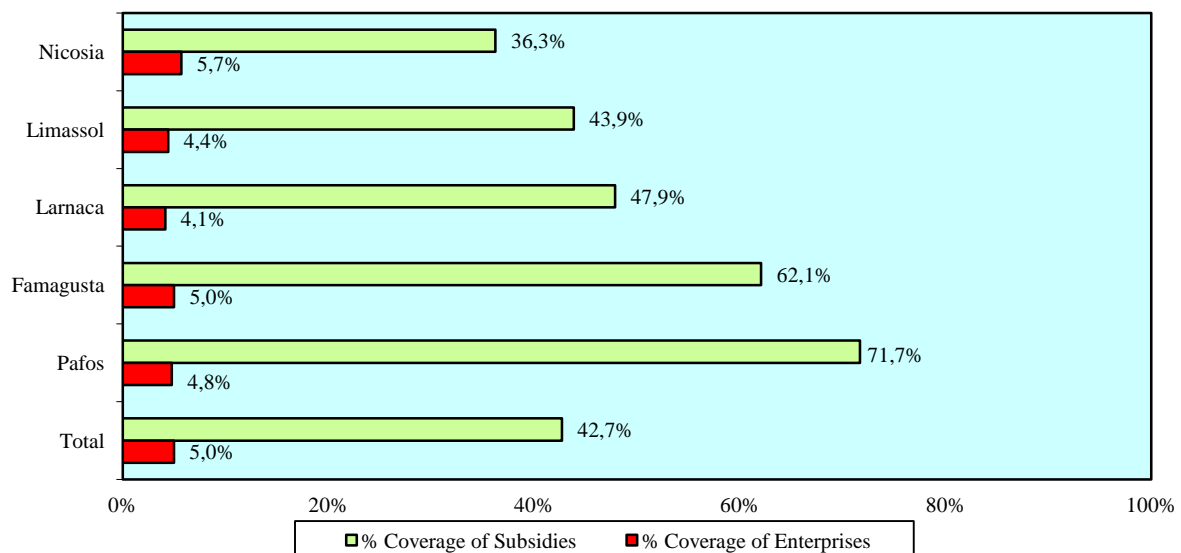
PERCENTAGE COVERAGE OF HRDA'S SUBSIDIES TO LEVY RECEIPTS AND OF ENTERPRISES FROM HRDA'S ACTIVITIES BY SIZE OF ENTERPRISE IN 2014



D. Coverage Indicators by District

The highest percentage coverage of HRDA's subsidies to levy receipts in 2014 are observed in **Pafos (71,7%)** and in **Famagusta (62,1%)**. Although **Nicosia** had the lowest percentage coverage of subsidies (36,3%), it has the **highest percentage coverage of enterprises (5,7%)**.

PERCENTAGE COVERAGE OF HRDA'S SUBSIDIES TO LEVY RECEIPTS AND OF ENTERPRISES FROM HRDA'S ACTIVITIES DISTRICT IN 2014



The **overall improvement** through the years of the indicators in **Pafos and Famagusta** indicate the positive response of the enterprises in these districts towards the **targeted HRDA's measures** for dealing with the consequences of the economic crisis. These actions resulted in an increased participation of enterprises from sectors (such as Tourism and Construction) that these districts especially rely on. Further increasing the participation of enterprises from smaller districts, relates to 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.