**Call: "Scheme that provides incentives** **for the Labor of Unemployed**

**Summary:**

The Plan aims to encouraging employers to hire unemployed people. The Scheme aims to tackle unemployment by providing incentives to employers to hire the unemployed by subsidizing part of the salary cost of the person to be hired. The Scheme is included in the measures of active employment policy promoted by the Government for the integration of the unemployed in the labor market through their placement in subsidized jobs, including the provision of vocational training.

Moreover, the person covered (candidate for employment) must have been registered as unemployed at the District or Local Employment Office (Public Employment Service -PES).

**The method of simplified cost forms will be used to calculate the amount of the sponsorship. The cost unit for the specific Grant Plan is set at € 48 / working day and corresponds to the amount of sponsorship that each beneficiary will receive for each working day to be completed by the beneficiary, regardless of the actual salary costs borne by the employer / beneficiary.**

**The grant will be provided for ten (10) months of employment with the employer's obligation to maintain the employment of the employee for two (2) additional months without subsidy.**

Eligible expenditure is the salary cost paid by the employer for the employment period, the amount of which will be specified in the Public Funding Agreement. The employment date and submission of the relevant application must be made within the period of the call from **23/10/2020 until the exhaustion of the total budget or relevant announcement.**

 **Who cannot participate in the Scheme:**

1. People (candidates for employment) whose employment was previously funded by Co-funded Projects during the Programming Period 2021-2027.

2. (a) Persons who are Shareholders and / or directors of a Company (excluding Public Companies) members of the Board of Directors, Associations / Foundation/ Institutions

(b) Persons who are spouses or are affiliated with a first or second degree ( either by blood or by marriage ) with the employer. That is, they cannot participate in the employer – employee relationship people associated as spouses, children, parents, siblings, grandchildren~~.~~ For the above exemptions, the employer is specified in (a).

3. Self-employed to subsidize themselves.

The person hired through the Plan must fill a vacancy notified by the Employer to the Public Employment Service (PES) before submitting the application for participation in the Plan. It is clarified that the date of recruitment and the submission of the application cannot be the same.

The date of recruitment of the individual must be within the validity period of the invitation of the Plan and must precede the date of submission of the application for participation. The application form must be submitted within one month from the date of recruitment.

Applications can be send only with email (in pdf ) from **23/10/2020 until the exhaustion of the total budget or relevant announcement.**

**Detailed Description Call:**

Other terms for inclusion in the Scheme, apart from those mentioned above, include:

* The recruitment of the individual through the Scheme represents a net increase in the number of employees in the business who hold the same occupation as the person employed. The comparison is made between the month preceding the recruitment and the month of recruitment. Any reduction of staff in the above period is not justified unless the job or jobs were vacated following voluntary retirement, retirement due to age, or statutory dismissal for reasons referred to in section 5 of the Termination of Employment Act 1967 ( N.24 / 1967) as amended (<http://www.cylaw.org/nomoi/enop/non-ind/1967_1_24/>).
* The employer has not previously received any subsidies from Co-financed Plans during the Programming Period 2021-2027 for the same person. Also the ~~(~~candidate for employment~~)~~ must not have worked for the employer in the eight months preceding the date of the invitation to the same employer.
* The persons to be subsidized must belong to the target group as defined in the Plan, be citizens of the Republic of Cyprus, or a citizen of any other Member State of the European Union or a third country national, residing legally in an area under the control of the Republic of Cyprus.
* Employers will commit not to reduce the staff of their business in the same occupation for which the person who is part of the Plan is hired for the FSB period. Any reduction of staff in the above period is not justified unless the job or jobs were vacated following voluntary retirement, retirement due to age, or statutory dismissal for reasons referred to in section 5 of the Termination of Employment Act 1967(N.24/1967)as amended <http://www.cylaw.org/nomoi/enop/non-ind/1967_1_24/> ).
* An employer may not be subsidized for the same person, during the same period for, the same type of expenditure (eg salary) from different Institutions / funds.
* The employer must not have exceeded the maximum number of people recruited through the Scheme per call which is set at five (5) people.
* The salary cannot be lower than that provided at the Ministerial Decree for a Minimum monthly salary of €870 and the adjustment after six (6) months of employment to €924 (even if the particular occupation / job in which the person is hired is not included in not specified in the Decree.)
* **A basic requirement for participation in the Scheme is that no employee has been dismissed during the period 1/3/2020 to 31/12/2020, excluding cases where dismissal without notice is justified. It is understood that businesses will not be able to dismiss any employees for financial reasons during the above mentioned period.**

Detailed information visit the Department of Labor website ( http//www.mlsi.gov.cy/dl )

The Plan may potentially be co-funded by the European Social Fund (ESF) and the Government of Cyprus

**Call Total Budget:**€17,000,000

**Thematic Categories:**

Employment

**Eligibility for Participation:**

Employers

**Call Opening Date:**23/10/2020

**Call Closing Date:**until the exhaustion of the total budget or relevant announcement.

**National Contact Point(s):**

Department of Labour - Intermediate Body Managing subsidies

Marios Evgeniou

Labour Officer A

email: mevgeniou@dl.mlsi.gov.cy

tel: 22400907

fax: 22400879

**Website:** [**http://www.mlsi.gov.cy/dl**](http://www.mlsi.gov.cy/dl)