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advanCing youth and women social inclUSion in The mEditerRanean
(C_A.3.1_0014) - WP3 (O.3.2)

Market needs analysis form Cyprus

**PARTNER NAME (PP2 Cyprus Chamber of Commerce & Industry
11/08/2022**

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Introduction

For each Project sector the responsible partner, have to include several information in order to deliver a quantitative and qualitative analysis aimed at providing a sectors needs overview for each partner country.

Project target sectors

Green economy is a system of economic activities connected with the production, distribution, and consumption of goods and services that results in better human wellbeing in the long term to avoid exposing future generations to significant environmental risks and the ecologic shortage.

Circular economy refers to strategies that limit the environmental impact and waste of resources and increase efficiency at all product economy stages.

Blue economy encompasses all industries and sectors related to oceans, seas and coasts, whether they are based directly in the marine environment (e.g. shipping, seafood, energy generation) or on land (e.g. ports, shipyards, coastal infrastructures).

Sustainable agriculture is a type of agriculture that focuses on producing long-term crops and livestock while having minimal effects on the environment, trying at the same time, to find a good balance between the need for food production and the preservation of the ecological system within the environment.



Market Needs Analysis

Please provide the following information by using both data you collected during the A 3.2.1 – “Sectors Needs Analysis” (targeting Social Economy Actors) and any publication, report, study you may have, produced at country level, as well as opinions, observations, etc. coming from your local stakeholders:

Blue Economy

<p>Skills and competencies young people should have to work within the sector</p>	<p>The Human Resource Development Authority of Cyprus (HRDA), included the blue economy in its priorities, aligning its own planning with the priorities of government policy, having recognised the promising prospects of the blue economy for economic growth and job creation. In this context, it conducted a research study, providing forecasts of employment demand in blue economic sectors and occupations, which include all economic activities related to the oceans, seas and coastal areas.</p> <p>The study examines and analyses the blue economy and blue occupations, maps out the blue economy of Cyprus and identifies blue skill needs in the Cyprus economy for the period 2016-26.</p> <p>The blue economy of Cyprus includes 39 economic sectors, which are grouped into six main categories. The identification of skill needs focuses on maritime, shipping, fishing and maritime and coastal tourism occupations.</p> <p>The Cyprus Marine and Maritime Institute (CMMI) aims to fill a decades-long void in marine and maritime education. CMMI’s CEO noted that Cyprus is lagging when it comes to offering post-graduate education in the field of marine and maritime.</p> <ul style="list-style-type: none"> • Provision of skills relevant to the labour market, in a lifelong learning continuum approach
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	<ul style="list-style-type: none"> • Development of innovative learner-centric teaching and learning methodologies • Development of flexible, modular and learner-centred schemes facilitating mobility capabilities • Achievement of recognition at national and regional levels
<p>Needs of the SMEs operating within the sector</p>	<ul style="list-style-type: none"> • Funding opportunities • Training for young people in line with businesses' needs • Business support mechanisms for recruiting NEETs • Adoption of innovative technologies and digital transformation • Protecting and restoring our ocean and waters as human existence and all life on this planet fundamentally depend on them; oceans and waters hold solutions to feed, power and heal
<p>Potential in terms of business development and job creation</p>	<p>Total employment in the blue economic sectors of Cyprus during the period 2016-26 is forecasted to exhibit an upward trend. As a result in 2026, 40 518 persons or around 1 out of 10 employed persons will work in the blue economy. Total employment demand is estimated at 1 900 persons or 5,4% per year which corresponds to 14,3% of total employment demand for the Cyprus economy.</p> <p>According to the Human Resource Development Authority study, eight out of ten employed persons in the blue economy will work in maritime and coastal tourism, reflecting the importance of tourism to the blue economy of Cyprus. This sector will exhibit the highest total employment demand with 1 615 persons or 5,6% per year during the period 2016-26.</p> <p>The second biggest blue economic sector is maritime transport, in which one out of six</p>



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	<p>employed persons of the blue economy will be working. Total employment demand will reach 253 persons or 4,3% per year during the period 2016-26. These trends are related to the strategic objective of Cyprus for further promotion of merchant shipping as well as the pursuit for exploiting hydrocarbon deposits in the Exclusive Economic Zone of the Republic of Cyprus.</p> <p>Blue Economy established sectors in Cyprus employ around 38.844 people and generate over €1.1 billion in GVA, representing a 6% share of the national economy measured in GVA and 10% of the jobs.</p> <p>As an island state, it is not surprising that the Blue Economy in Cyprus is dominated by coastal tourism, which represents 86% of blue-based jobs and 81% of the GVA in 2018.</p> <p>Port activities, shipbuilding and repair contribute a further 6% in terms of GVA.</p>
<p>Impact of the Covid-19 pandemic on the sector</p>	<p>Since Blue Economy in Cyprus is dominated by tourism, here below some data on the impact of COVID-19 on this sector as seen by hoteliers:</p> <ul style="list-style-type: none"> • The vast majority expect an overall reduction of at least 50% in revenue for 2020 compared to 2019. They also project a decrease of more than 50% on the average occupancy for the year compared to the previous year. • Unanimous response that all reservations until the end of May 2020 were either cancelled or deferred. Similarly, bookings for June 2020 are currently at low levels and likely to be also cancelled. • The majority expect 2020 to be lossmaking, with a material risk of missing out on the rest of the season. • Concerns by most that people will opt to spend summer holidays in home countries, even after relaxation of measures. • Only 25% were optimistic for resuming operations by July 2020, which still accounts for more than 3 months lost business for the year. Participants expect a



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	<p>change in tourists' behaviour in the short term towards domestic tourism, less crowded facilities and destinations closer to home. Half of participants intend to increase their focus on the domestic market. Hotels are considering rate reductions up to 30% to win local business.</p>
<p>Policies adopted concerning the development of the sector</p>	<p>In the framework of the single operational programme and the Just Transition Plan for Cyprus, the EU will invest a total of more than €1 billion in the country between 2021 and 2027. The Partnership Agreement lays down Cyprus' investment strategy for its economic, social and territorial cohesion, the green and digital transition and the development of a competitive, socially inclusive and sustainable growth model. At the same time, the Just Transition Plan will alleviate the impact of the energy and climate transition on the local economy and society.</p> <p>Among the sectors to be supported, €38.3 million from the European Maritime Fisheries and Aquaculture Fund will promote sustainable fisheries and the restoration and conservation of aquatic biological resources, sustainable aquaculture, and the development of local coastal fisheries communities and the implementation of international ocean governance.</p>
<p>Any other observation relating with the sector at the country, regional or Mediterranean level</p>	



Green Economy

<p>Skills and competencies young people should have to work within the sector</p>	<p>Part of the identified green skills are new skills that relate to new green technologies, environmental legislation and environmental issues that require a high degree of specialisation.</p> <p>Such skills refer to smart sensors and automations, construction of nearly zero energy buildings, remediation of landfills, use of anti-pollution devices, corporate waste management systems, smart grids, climate change risks on the supply chain and green finance. However, the majority of the identified green skills relate to existing skills which have to be adapted to the needs of the green economy, in areas such as project management, strategic planning, entrepreneurship, process optimisation, human resource management and quality management.</p>
<p>Needs of the SMEs operating within the sector</p>	<p>The transition to a model of sustainable economic development, which uses resources efficiently and is based on knowledge and innovation, constitutes one of the main strategic goals of the European Union, as stated in the «EU 2020» strategy. An essential prerequisite for the achievement of this objective is the availability of properly trained human resources, having the necessary knowledge, skills and competences.</p>
<p>Potential in terms of business development and job creation</p>	<p>In the period 2017-27 the total employment in the sectors of economic activity with participation in the green economy of Cyprus is forecasted to exhibit an upward trend. By 2027, around one out of five employed persons will work in sectors of economic activity with participation in the green economy. Total annual employment demand for the green economy is estimated at 4,1% which corresponds to 22,7% of total employment demand for the Cyprus economy.</p>



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	<p>The majority of the employed persons in occupations with participation in the green economy will work in the occupational category of technicians and professionals. The main areas of specialised knowledge and skills for these occupations, such as environmental legislation, renewable energy, circular economy, organic farming, climate change, waste management, smart sensors and nearly zero energy buildings, can guide the design of specialised training programmes.</p>
<p>Impact of the Covid-19 pandemic on the sector</p>	
<p>Policies adopted concerning the development of the sector</p>	<p>Over €387 million from the ERDF will go to the green transition via investments in energy efficiency, renewables and the reduction of carbon emissions in line with the European Green Deal. Important investments will focus on the development of the circular and sustainable economy, the preservation of the local biodiversity and on the adaptation to climate change and related events like floods and wildfires. Cyprus will also devote €147 million to enhance the competitiveness and develop the digitalisation of its small and medium-sized businesses and to connect national research and innovation systems with business. Through these investments, the country aims to create over 2485 new jobs, including 885 in research and 133,000 new users of public digital services.</p>



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	<p>The JTF, with a dedicated budget of €101 million, will help Cyprus with its energy transition process towards the 2030 and 2050 targets. Investments from the JTF will strengthen the energy transmission and distribution systems to allow for storage technologies and transition towards renewable energy. The JTF will also support measures for small and medium-sized businesses to apply new technologies and increase the use of renewable energy sources. Additionally, it will empower human capital through education and training actions, including the creation of a Green Technical School in Nicosia. A Green Technical School will also provide upskilling and reskilling to train young people in green technologies and skills, filling a gap in the country's existing Secondary Technical Education.</p>
<p>Any other observation relating with the sector at the country, regional or Mediterranean level</p>	

Circular Economy

<p>Skills and competencies young people should have to work within the sector</p>	<p>The increasing importance of the circular economy will have a significant impact on the shape of jobs and competencies. New points of emphasis, as confirmed in a recent study by Circle Economy, will include 'broad skills' (also called transversal skills) such as digital and green literacy and problem solving, while also building 'deep skills' more related to specific functionalities or disciplines. Non-repetitive, circular jobs will emphasize skills such as product repair</p>
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	<p>and maintenance or innovating the product design process to improve longevity.</p>
<p>Needs of the SMEs operating within the sector</p>	<p>Skills development is vital for unlocking the social, economic and environmental potential of the circular economy. The solutions laid out by the circular economy framework—focused on closing material cycles and designing out waste—depend on labour and skills-intensive processes. If managed well, their adoption presents opportunities for labour markets, as well as tackling climate change, resource scarcity and closing the Emissions Gap.</p>
<p>Potential in terms of business development and job creation</p>	<p>The data collected through the Market Analysis questionnaire conducted among Business Operators showed the following skills gaps in their line of activity:</p> <ul style="list-style-type: none"> • Technical/professional skills • Process innovation • Technological innovation • Marketing
<p>Impact of the Covid-19 pandemic on the sector</p>	<p>As far as impact of the covid-19 pandemic is concerned, business operators mentioned decreased turnover as the most important one.</p>



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Policies adopted concerning the development of the sector

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<p>Any other observation relating with the sector at the country, regional or Mediterranean level</p>	
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Sustainable Agriculture

<p>Skills and competencies young people should have to work within the sector</p>	<p>Agriculture workers are involved with a wide range of activities and have to perform a lot of tasks. They are employed by farms, ranches, and nursery houses. Agricultural workers plants, cultivate and harvest crops, raise livestock and poultry and also maintain and monitor the health and welfare of animals and providing feed and water. They are also operators of farm machinery.</p> <p>Manual dexterity: Agricultural workers need excellent hand-eye coordination to harvest crops and operate farm machinery. Physical stamina: Agricultural workers need to be able to perform laborious tasks repeatedly. Physical strength: Agricultural workers must be strong enough to lift heavy objects, including tools and crops. Technical skills: Agricultural workers must be able to competently operate complex farm machinery. They also occasionally do routine maintenance on the machinery.</p> <p>Based on research on young Cypriot farmers, the requirements to bridge the knowledge gap and challenge the ageing farming population include the development of marketing skills, management skills, specific technological knowledge and networking skills, which are helpful in creating partnerships and setting up producers' groups.</p>
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<p>Needs of the SMEs operating within the sector</p>	<p>Cyprus ranks in the lowest positions among EU countries in relation to sustainable agriculture. It is severely affected by climate change, putting at risk both the safety and adequacy of domestically produced food and livestock production. Rising temperatures, declining rainfall and extreme weather events are the main threats faced by farming today. In addition, the lack of irrigation water and new diseases exert destructive pressures on agricultural development, while intensive cultivation results in the substantial degradation of agricultural land, posing a threat on biodiversity. In general, Cyprus' agriculture sector is characterised by low productivity, increased fragmentation, an aging population of farmers, and a limited use of technology.</p>
<p>Potential in terms of business development and job creation</p>	<p>Adoption of sustainable production by emphasizing on developing a competitive agriculture sector primarily through agri-tech and strong collaboration with business, higher-education institutions, and research centres.</p> <p>The National Strategy for the Development of Mountain Communities was adopted by the Council of Ministers in October 2019. The strategy aims to revitalise the region of the Troodos mountains and will breathe new life into the mountain communities, create jobs, promote tourism and support agriculture and cottage industries. The strategy envisions 250 actions to be taken until the year 2030 for boosting the quality of life and promoting sustainable development in mountain communities.</p>



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<p>Impact of the Covid-19 pandemic on the sector</p>	
<p>Policies adopted concerning the development of the sector</p>	<p>Cyprus ranks 7th among EU countries in Government support to agriculture research and development. The Cyprus Government spent €6.6 per inhabitant relative to the EU average of €6.5. This relatively high R&D expenditure is expected to ameliorate the position of Cyprus in the promotion of sustainable agricultural production. In addition, the Common Agricultural Policy (CAP) drives Cyprus towards sustainable food production, sustainable farm management and environmentally and climate-friendly practices and methods.</p> <p>Cyprus CAP Strategic Plan for the period 2023-2027 is currently under preparation. The provisions under the new CAP require an enhanced Green Architecture and the consideration of Farm to Fork Strategy of the EU.</p> <ul style="list-style-type: none"> · Cyprus will address all 9 specific objectives of CAP including measures for investments to new practices and technology in order to increase productivity, investments for the use of renewable energy in agriculture, investments in reducing emissions from animal husbandry, investments in circular economy. · Agri-environmental measures under Pillar II and eco-schemes under Pillar I will be introduced in order to significantly reduce Cyprus's underperformance in sustainable agriculture (e.g. promoting practices that



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	<p>reduce the need for pesticides, increased budget for organic farming, together with significant higher target for land under organic, measures that include the substitution of chemical fertilisers, etc.).</p> <ul style="list-style-type: none"> · The total budget for the 5-year programme will be more than €450 million and aims to transform the primary sector of Cyprus. <p>Recovery and Resilience Plan</p> <ul style="list-style-type: none"> · Resilient and competitive primary sector reforms: <ul style="list-style-type: none"> - Move agricultural practices from the 20th century to the 21st century by investing in a national centre for excellence in Agri-Tech. - Online, cloud-based platform for improving the trade and information symmetry in the fresh produce supply chain. - Genetic improvement of sheep and goat population of Cyprus. · Investments: <ul style="list-style-type: none"> - Enhancing the existing isotopic databases of Cypriot local traditional food/drinks, by developing a Block Chain platform, to ensure their identity. - Upskill the existing farming community and professionalise future labour force by investing in human capital.
<p>Any other observation relating with the sector at the country, regional or Mediterranean level</p>	



Results and data of the A 3.2.1 – Sectors Needs Analysis – SEAs profiling

The Cyprus Chamber of Commerce and Industry (CCCI) conducted the Sector Needs Analysis to map and understand the current situation and needs in the four economic sectors targeted by the CLUSTER project, namely: Green, Blue, Circular Economy, and Sustainable Agriculture in Cyprus.

The profiling activities were launched through 2 online questionnaires, one targeting Business Operators and SMEs and the other dedicated to Social Economy Actors (organisations, NGOs, associations, TVETs, employment agencies, public bodies, etc.) that are active in one or more of the CLUSTER project target sectors. Both questionnaires included the following sections:

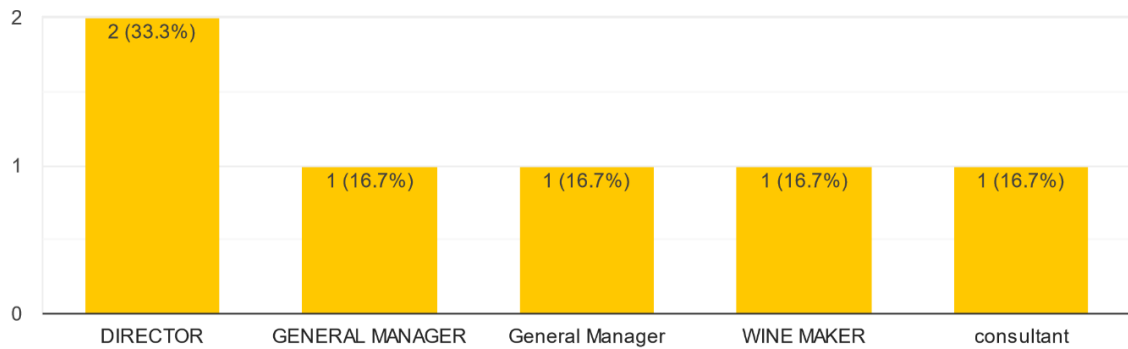
- Organisation's basic information
- Employees' profiles
- Organisational and sectoral needs
- Potential involvement in project activities

The CCCI distributed more than 2000 questionnaires, however the response rate was extremely low: 6 responses from Business operators and 6 respondents from Social Economy Actors. The main reason for such a disappointing response rate is that the 4 sectors were not narrowed down to more precise sectors of economy.

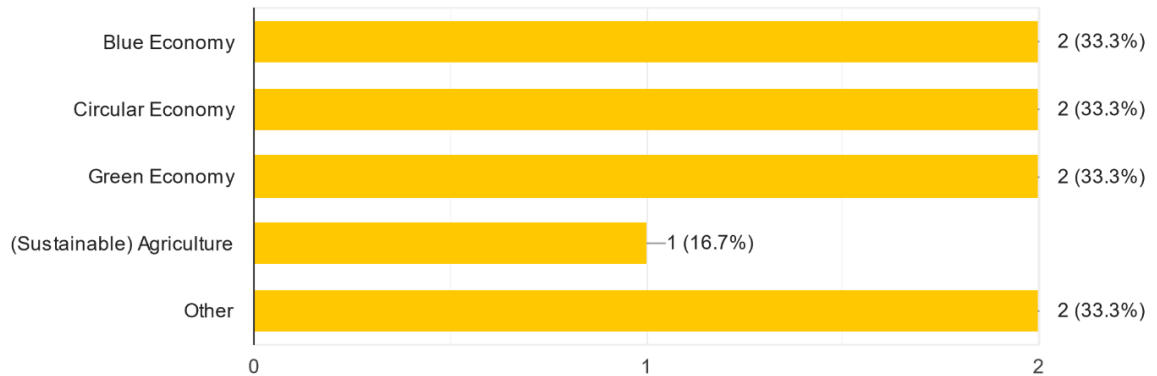


SEAs – Business operators

Position
6 responses



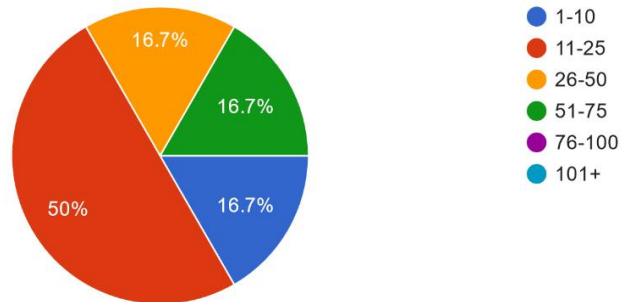
Sector(s) of activity
6 responses



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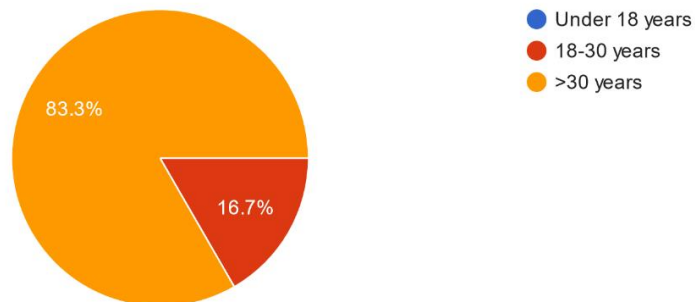
How many staff members do you employ?

6 responses



What is the average age range of your staff members?

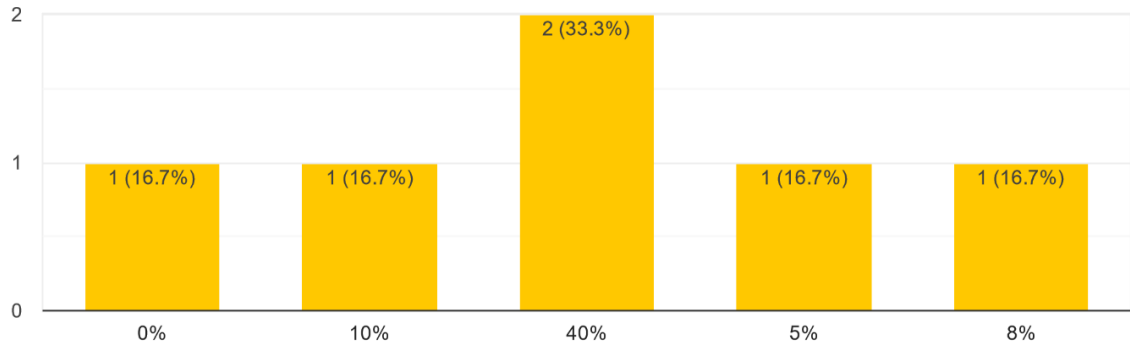
6 responses




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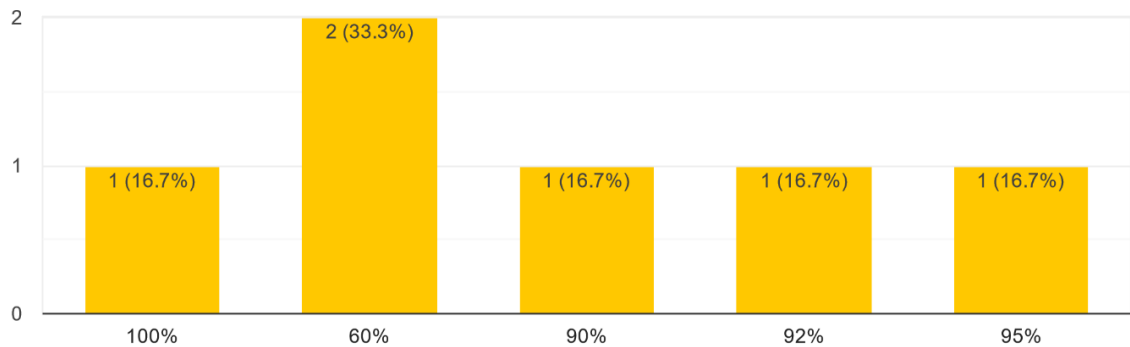
What is the percentage of women currently employed?

6 responses



What is the percentage of men currently employed?

6 responses

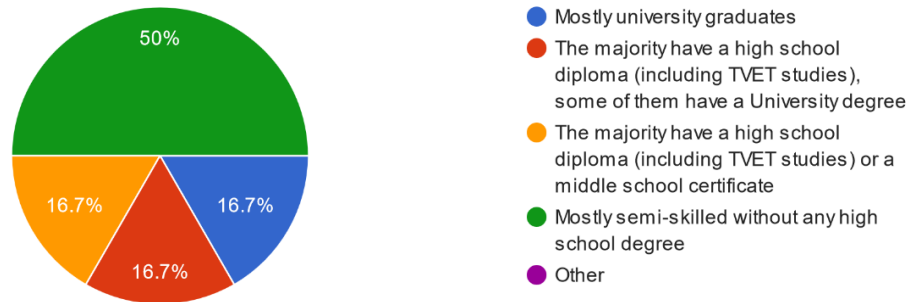




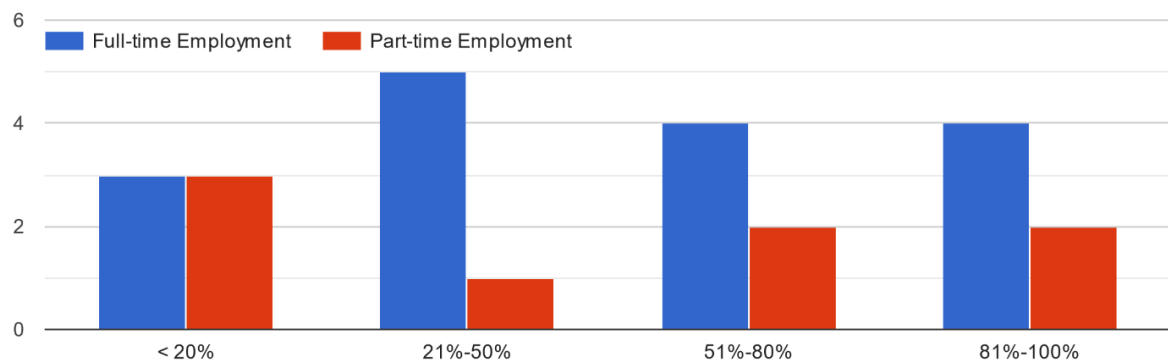
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What is the level of education of your company staff members?

6 responses



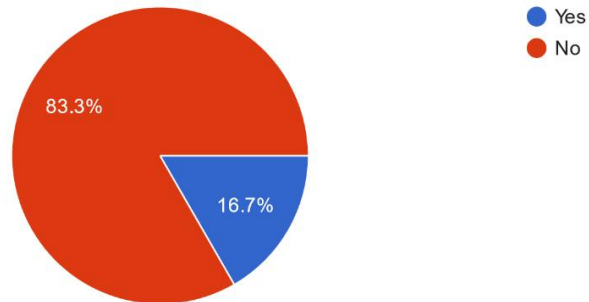
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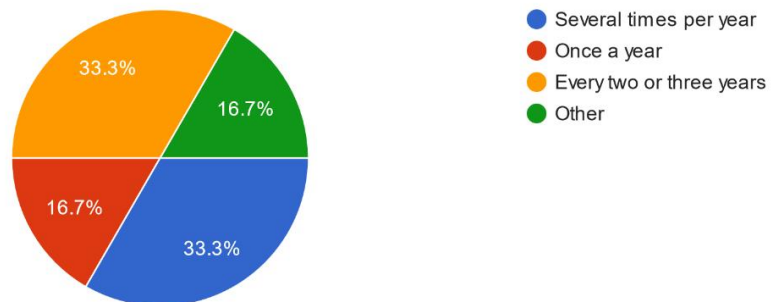
Do you currently have any vacancies?

6 responses



How often do you recruit?

6 responses

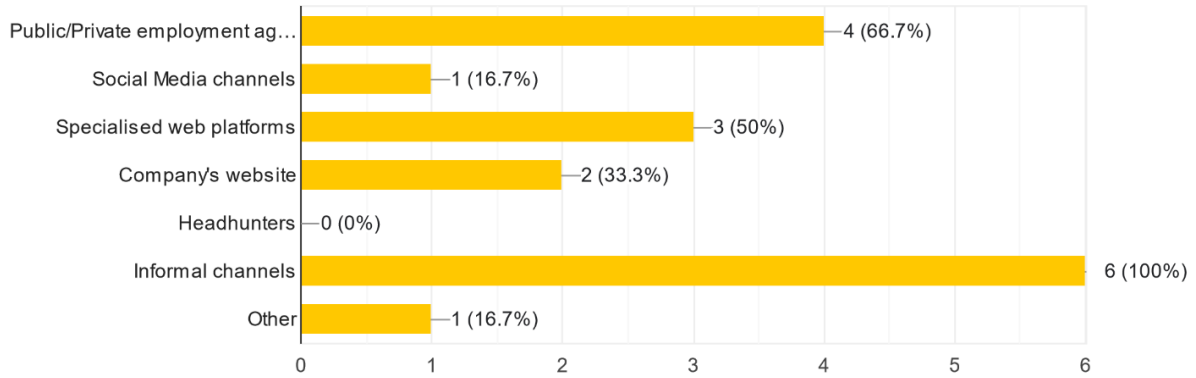




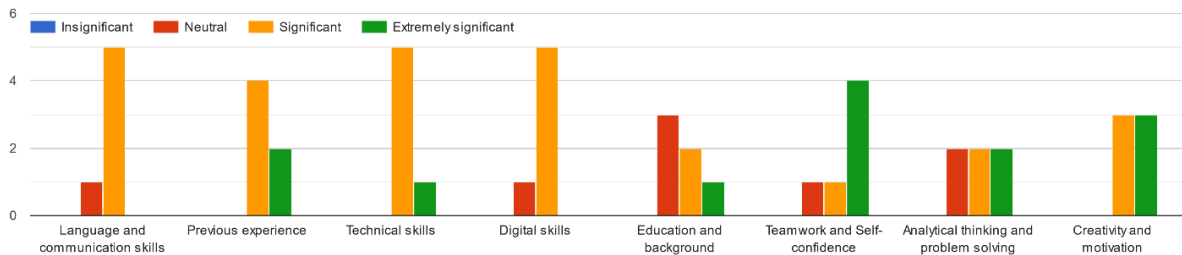
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What channels do you use to recruit?

6 responses

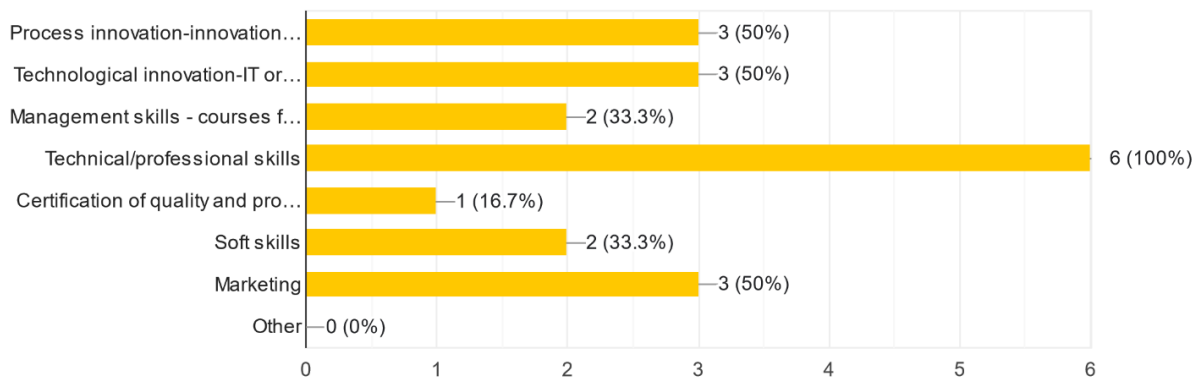


What characteristics (education, experience) and skills do you look for when you want to recruit a new employee?



Which areas of training would be useful for your company?

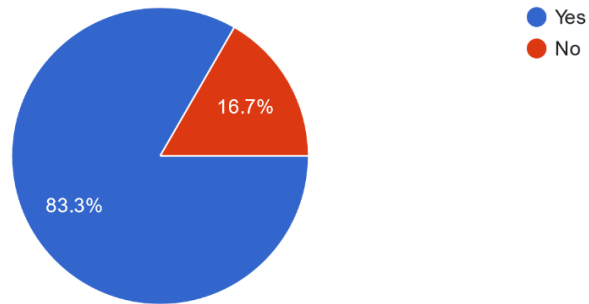
6 responses




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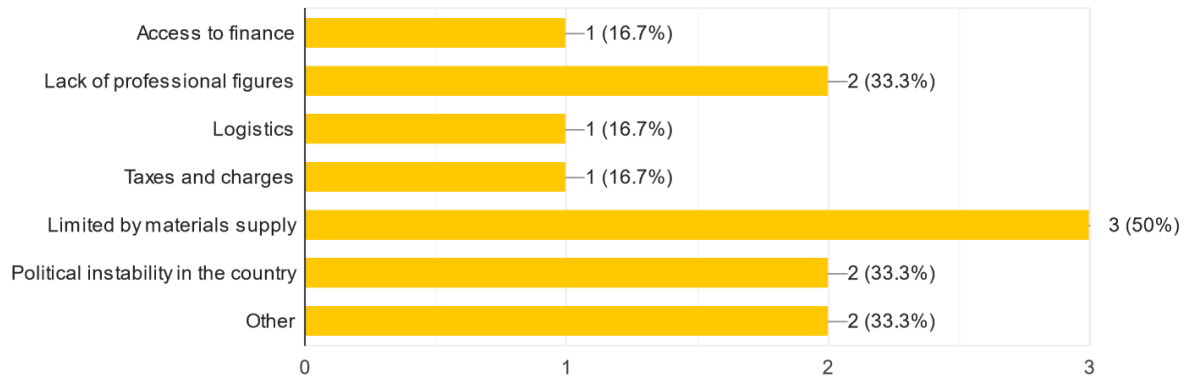
Would you employ someone belonging to the category of NEETs or under another vulnerable category?

6 responses



What kind of difficulties do you face in expanding your business within the market?

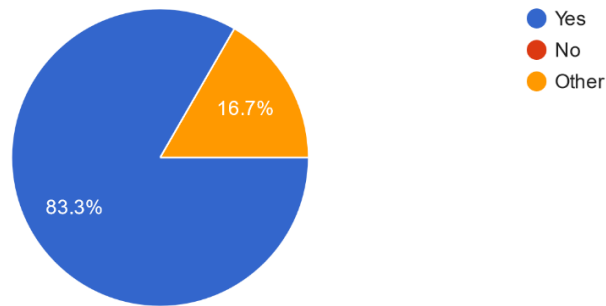
6 responses




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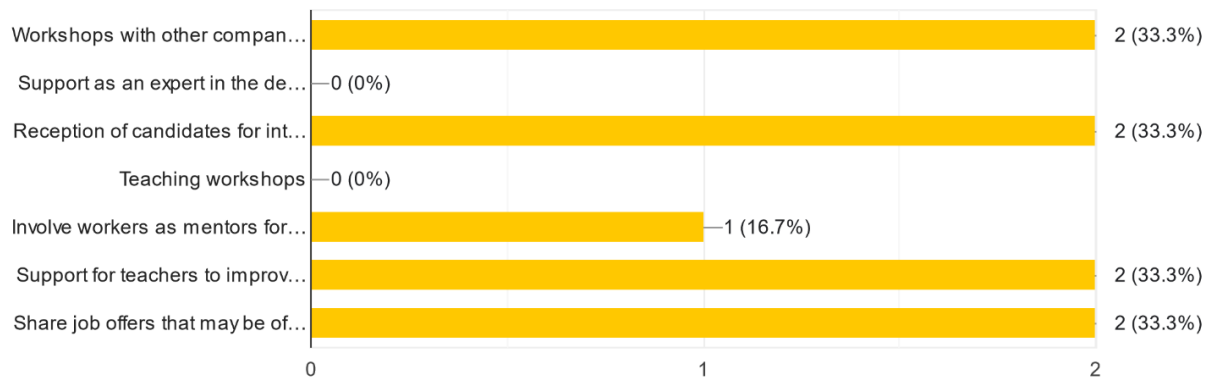
Do you think the sector(s) in which your company operates will increase its business opportunities in the next years?

6 responses



In which of these activities do you think your company would be most interested in participating?

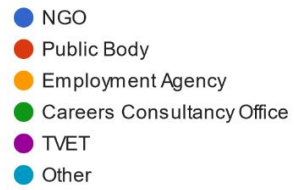
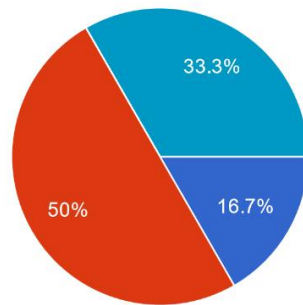
6 responses



SEAs – Social Economy Actors

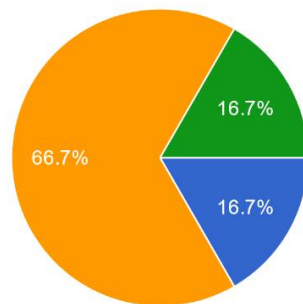
Type of Organisation

6 responses



Geographical Coverage

6 responses

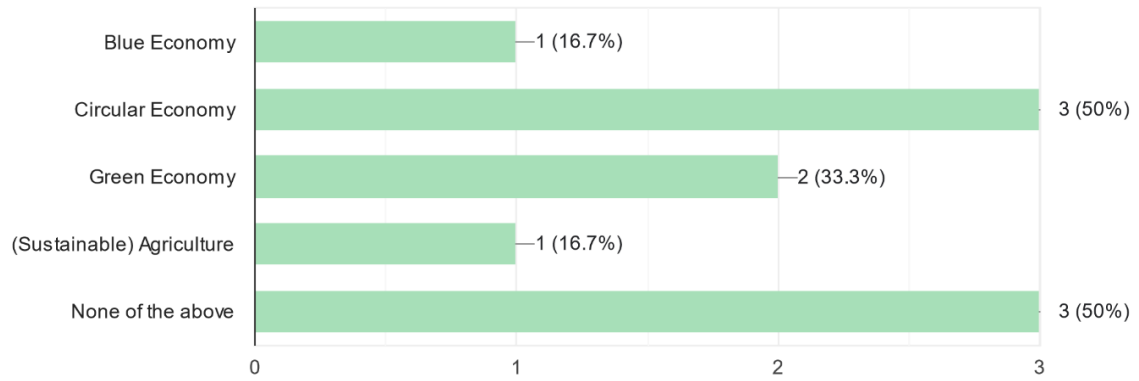




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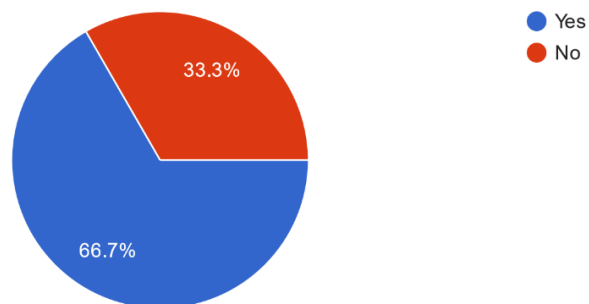
Have you ever carried out activities linked with one of the following sectors? (you may select more than 1 option)

6 responses



Do you offer any employment or training opportunities for NEETs?

6 responses

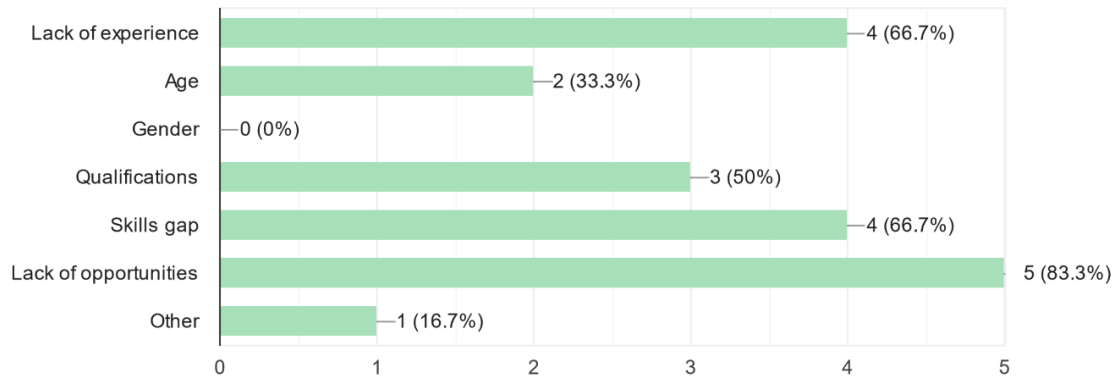




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In your opinion, what challenges do NEETs face in finding employment nowadays?

6 responses



In which of these activities do you think your company would be most interested in participating?

6 responses

