

Disclaimer: This factsheet has not been subject to the full Eurofound evaluation, editorial and publication process.

Factsheet for case CY-2020-11/327

Special scheme for complete suspension of business

Factsheet generated on 24 April 2020, 12:46

Country	Cyprus, applies nationwide
Time period	Temporary, 11 March 2020 - 12 June 2020
Type	Legislation or other statutory regulation
Category	Employment protection and retention – Changes to dismissal law or employment protection legislation
Case created	07 April 2020 (updated 17 April 2020)

Background Information

The scheme addresses businesses who have completely suspended their operation, in accordance with the Degree 101 of the Quarantine Law, Chapter 260 of the Minister of Health. It includes hypermarkets, shopping malls, cafeterias, libraries, sport centers, thematic parks, hairdressing saloons, barber shops, night clubs and pubs, etc.

* On Wednesday 8 April, the President of the Republic announced the decision of the Cabinet to extent the measure up until 12 June 2020. Currently, the Ministry of Labour undertakes a legal and technical processing of the measure.

Content of measure

The basic requirement for participation in the Scheme is that no employee has been fired since 1 March 2020. Additionally, businesses participate in the Scheme should not dismiss any employee during the period of participation, during an additional equal period of participation and plus one additional month after the end period of participation.

For businesses employing more than 9 employees, a special unemployment benefit will be paid to 90% of employees and the remaining 10% shall include managing shareholders, partners holding more than 20% of the shares, general managers and senior executives.

For businesses employing less than 9 persons, the special unemployment benefit may be paid to all employees irrespective of their status.

The maximum amount that may be paid for a period of month may not exceed 1,214 euros.

Use of measure

The budget available for the scheme is 182 million euros (covering the Scheme for the partial suspension of business Degree 130) but there is no estimation of the number of beneficiaries at this moment.

Actors, target groups and funding

Actors	Target groups	Funding
National government Social partners jointly Trade unions Employers' organisations Company / Companies Social insurance	employees All companies SMEs	National funds

Social partners

Role of social partners	Agreed (outcome)
Form of involvement	Direct consultation

The Government has consulted the social partners - trade unions, employers' organizations and all political parties - the provision of the scheme and the outcome emerged is on an agreed base.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 07 April 2020: Special Scheme for Complete Suspension of Business (www.coronavirus.mlsi.gov.cy)