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**SEED'S Planning Solidarity Economy Districts for Social, Economic,
and Environmental Sustainability**

WP2 – Planning: Reviewing existing frameworks and training needs

NATIONAL REPORT - CYPRUS

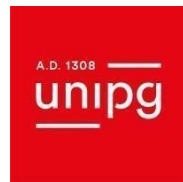


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Introduction

Within WP2 - *Planning: Reviewing existing frameworks and training needs*, desk and field research was conducted on the strategic framework and key stakeholders of the Social Solidarity Economy and Short Food Supply Chains, as well as on the training needs of citizens in Cyprus. The specific objectives were to identify intersections and gaps, explore potential trade-offs and synergies between existing policies and on-the-ground realities. The goal was to provide clear support, eliminate institutional barriers to change, and identify specific needs and innovative possibilities for intergenerational collaboration.

How the target group was identified and reached

As part of the field research, 4 coaching circles were organized, targeting youth, seniors, and stakeholders in the social economy and food supply chains. Participants were recruited through invitations from the organization's network.

Respondents' profile and why they were chosen to participate in the project

The young participants were mainly 28-35 years old, among those students and young entrepreneurs. Participants were invited from CARDET network and were selected according to their interest in the project topic.

The senior participants were selected from CARDET network based on their involvement in a social enterprise called Idaliades. They expressed their interest in participating by sharing their experiences on the topic of social economy.

The stakeholders were representatives of the Social Economy and of Short Food Supply Chain initiatives. Most of them were involved in social economy related initiatives and projects and have strong interest for the topic. Their expertise and interest were the main reasons behind their selection to participate to the coaching circle.

Analysis of desk and field research findings

The national legal and administrative context regarding Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs)

In Cyprus, there is a growing interest in supporting initiatives within the social economy that address both social and environmental challenges while supporting job creation and economic development. Various social economy activities and organizations, such as cooperatives, NGOs, and community-based initiatives, are actively contributing to positive social or environmental impacts. Despite the existence of these initiatives, the concepts of social entrepreneurship and social enterprises are relatively recent, lacking a formal definition or legal framework nationally. Until recently, 'social enterprises' operated under existing legal structures.

In 2018, a National Action Plan was devised to establish a social enterprises ecosystem, and in December 2020, the House of Representatives approved legislation for the creation of a registry for social enterprises. The law aims to regulate the registration of businesses in a Social Enterprises Registry (2022).



Additionally, a Partnership Agreement (Partnership Agreement With Cyprus – 2021-2027, n.d.) between the EU and Cyprus, adopted on July 8, 2022, signify over €1 billion for investment between 2021 and 2027. This agreement outlines Cyprus's strategies for economic, social, and territorial cohesion, emphasizing the green and digital transition and the development of a competitive, socially inclusive, and sustainable growth model. Cyprus stands out as the first country to receive approval for its Cohesion Policy operational program.

Cyprus has presented its Strategic Plan for the Common Agricultural Policy (CAP) covering the period from 2023 to 2027 (Cyprus, 2023). The European Commission has granted approval for this plan (The Commission Approves the CAP Strategic Plans of Cyprus and Italy, 2022). The overarching goal of this CAP is to guide the shift towards a more sustainable, resilient, and contemporary agricultural sector.

An important deficiency in the existing social economy framework in Cyprus lies in its fragmentation, involving various Ministries, NGOs, enterprises, and individuals each operating distinct internal policies and activities related to social economy. This decentralized structure, coupled with the lack of a unified legal entity to coordinate these diverse stakeholders, results in the absence of a national definition for social economy in Cyprus. Notably, there is also a notable gap represented by the non-existence of a National Action Plan specifically addressing social economy concerns.

Common opinion among the young and the elderly on Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs).

Both group of participants were familiar with the social economy context but not with the terms Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs). The young adults were aware that social economy context highly relates to social impact and they were able to give some examples of organisations they consider to be under this concept. Almost all young stated that they buy local products, mainly fruits and vegetables, by visiting the local markets that occur specific days per week. Senior participants stated that they buy almost all their cooking products from local producers because they consider the quality much higher.

Senior participants expressed their slight disappointment for the limited support from the state towards local producers and small farmers, but they also mentioned that the state offers some compensation to producers when they face major loss of their production due to bad weather conditions.

Attitude of economic actors regarding Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs)

The Ministry of Commerce, Industry, and Tourism provides various funding programs (Solutions, n.d.) with a specific focus on supporting the social economy. For instance, the Youth Entrepreneurship scheme actively encourages and fosters entrepreneurship among the youth. Furthermore, the ministry offers funding initiatives related to energy conservation and home upgrades, along with support for energy audits in small to medium enterprises (SMEs).

The Directorate General Growth of the Ministry of Finance serves as a facilitator for accessing European Funds and Programs, offering individuals information on diverse funding opportunities



provided by the European Union (Directorate General Growth, Ministry of Finance | Directorate General Growth, Ministry of Finance |, n.d.).

Cyprus also uses the European Social Fund (The ESF in Cyprus, n.d.) to create job opportunities and enhance employment, especially among young people. Notably, the YOUTHShare project focuses on reducing youth unemployment in coastal and island regions of the Mediterranean EEA (YOUTHShare Project – Resilient and Sharing Economies for NEETs, n.d.). This initiative aims to enhance the skills of young NEETs in economically resilient sectors like agri-food production and related circular economies. Achievements of the project include the development of the Join2Share sharing economy platform (User, n.d.) and educational materials on social economy and solidarity, accessible freely through the YOUTHShare eLearning platform (YOUTHShare E-learning Platform: Log in to the Site, n.d.).

Perceptions of measures and mechanisms needed for the promotion of Social Economy Districts (SEEDs) and Short Food Supply Chains (SFSCs)

Fostering Social Economy Districts (SEEDs) and Short Food Supply Chains (SFSCs) involves the execution of diverse policies and strategies. The aim for these policies should be the creation of an environment that will serve the advancement and expansion of social economy enterprises within a specific geographic area. These measures, that can be applied in different levels, could entail governmental policies, community-driven initiatives, and collaborations among different stakeholders. It is highly recommended to formulate and implement policies at the local, regional, and national level, acknowledging and prioritizing social economy enterprises. Many stakeholders highlight the urgent need in developing legal frameworks that facilitate the establishment and operation of social economy organizations. Financial support and incentives, tailored training, coaching, mentorship, promotion techniques and technological advancement support are some of the most essential parts that social enterprises are lacking in order to enhance their activity, competitiveness and thus the Social Economy Districts (SEEDs) and Short Food Supply Chains (SFSCs).

Conclusions and recommendations

Main obstacles and challenges for stakeholders in the social and solidarity economy:

- **Limited Access to Funding:** Social and solidarity economy initiatives struggle to secure enough funding and financial support, imposing barriers and lowering their ability to start or expand their activities.
- **Lack of Legal Recognition:** Lack of legal frameworks or recognition for social and solidarity economy enterprises, creates uncertainties and challenges in their establishment and operation.
- **Limited Awareness and Understanding:** Stakeholders often face the challenge of low public awareness and understanding of social and solidarity economy concepts, making it difficult to gain support and engagement.
- **Capacity Building Needs:** Stakeholders may require additional training and capacity-building programs to enhance their skills in areas such as management, marketing, and financial planning.



- **Market Access Barriers:** Difficulty in accessing markets and distribution channels poses a significant challenge for social and solidarity economy enterprises, limiting their reach and impact.
- **Collaboration and Networking Challenges:** Establishing effective collaborations and networks can be challenging, as stakeholders may face barriers in communication, coordination, and mutual understanding.
- **Regulatory Constraints:** Existing regulations or bureaucratic processes may pose obstacles for social and solidarity economy initiatives, requiring adaptations or advocacy efforts to address regulatory challenges.
- **Economic Instability:** Economic uncertainties and fluctuations can affect the financial sustainability of social and solidarity economy initiatives, making long-term planning and growth challenging.

Main training needs for the promotion of Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs) and connection with the EntreComp and GreenComp Framework.

From the desk and field research it was shown that there is limited awareness among the general public of the meaning and importance of Social and Solidarity Economy and Alternative Food Supply Chains. Both seniors and young adults expressed a general understanding of the social economy concept but not the short food supply chains. They were able to name some examples of entities that function as social enterprises even though this concept is still under development in Cyprus. The coaching the circle with stakeholders highlighted the lack of awareness, understanding and thus, support for social entrepreneurship, as the general public misinterprets what a social enterprise is and what it does, while there is no state support for short food supply chain initiatives. Thus, the training of young adults and seniors requires to include the basic concepts of Social and Solidarity Economy and Short Food Supply Chains and provision of a more specialised knowledge and skills about social and sustainable entrepreneurship. Some additional needs are the engagement of the community, organization of successful communication and awareness-raising campaigns and launching of political advocacy initiatives related to the SEEDs and SFSCs.

The main training needs for promoting Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs) are centred around equipping individuals with the essential competencies outlined in the EntreComp and GreenComp Frameworks. This includes fostering skills such as opportunity spotting, exploratory thinking, vision development, futures literacy, promoting nature, ethical and sustainable thinking, valuing ideas, valuing sustainability, financial literacy, learning through experience and taking action for sustainability. Integrating these competencies will empower stakeholders to navigate the complexities of SEEDs and SFFCs, enabling them to identify opportunities for sustainable economic development and community engagement. Furthermore, connecting these training needs to the EntreComp and GreenComp Frameworks ensures a comprehensive approach that aligns with the



principles of entrepreneurship, sustainability, and social responsibility, creating a foundation for successful and impactful initiatives in social economies and local food supply chains.

Suggested training material based on the EntreComp and the GreenComp Framework:

Modules	Training material
1. Entrepreneurial Mindset and Environmental Awareness:	<ul style="list-style-type: none"> • Understanding the core components of EntreComp and GreenComp. • Fostering an entrepreneurial mindset with a focus on sustainability. • Exploring the intersection between entrepreneurship and environmental responsibility.
2. Opportunity and Vision:	<ul style="list-style-type: none"> • Identifying sustainable business opportunities in the context of environmental challenges. • Developing a vision for an eco-friendly and socially responsible venture.
3. Creativity and Innovation:	<ul style="list-style-type: none"> • Integrating innovative solutions for sustainable entrepreneurship. • Encouraging creative thinking in the development of green business ideas.
4. Resources and Collaboration:	<ul style="list-style-type: none"> • Managing resources sustainably, considering both financial and environmental aspects. • Collaborative approaches for sustainable business development.
5. Taking the Initiative:	<ul style="list-style-type: none"> • Developing proactiveness in addressing environmental issues through entrepreneurship. • Implementing initiatives that align with both EntreComp and GreenComp principles.
6. Planning and Strategy:	<ul style="list-style-type: none"> • Strategic planning with a focus on long-term sustainability. • Incorporating environmental considerations into business plans.
7. Implementation and Management:	<ul style="list-style-type: none"> • Practical steps for implementing sustainable business practices. • Managing a green business, including supply chains and operations.
8. Risk and Uncertainty:	<ul style="list-style-type: none"> • Assessing and mitigating risks associated with sustainable entrepreneurship. • Navigating uncertainties in the green business landscape.
9. Learning from Experience:	<ul style="list-style-type: none"> • Case studies of successful sustainable entrepreneurs.



	<ul style="list-style-type: none"> • Reflecting on experiences and learning from failures in the context of green entrepreneurship.
10. Communication and Networking:	<ul style="list-style-type: none"> • Effectively communicating sustainability aspects of a business to stakeholders. • Building networks and partnerships in the sustainable business ecosystem.
11. Social Responsibility and Ethics:	<ul style="list-style-type: none"> • Understanding the ethical dimensions of sustainable entrepreneurship. • Emphasizing social responsibility in business practices.
12. Monitoring and Evaluation:	<ul style="list-style-type: none"> • Developing key performance indicators for sustainable entrepreneurship. • Evaluating the environmental impact of business activities.

These modules can form the basis for comprehensive training materials that blend the core principles of EntreComp with a focus on environmental sustainability through the GreenComp Framework. Each topic can include theoretical concepts, practical exercises, case studies, and discussions to create an engaging and impactful learning experience.

Recommended actions for the promotion of Social Economy Districts (SEEDs) and Short Food Supply Chains (SFFCs):

- **Legal Framework Development:** Work towards creating clear legal frameworks that facilitate the establishment and operation of social economy organizations and short food supply chains.
- **Financial Incentives:** Encourage the introduction of financial incentives such as grants, tax credits, and subsidies to support the initiation and growth of social economy initiatives and short food supply chains.
- **Capacity Building:** Develop and implement training programs, workshops, and mentoring initiatives to enhance the skills and capacities of individuals involved in social economy enterprises and short food supply chains.
- **Public Awareness Campaigns:** Launch public awareness campaigns to educate the community about the benefits of supporting social economy initiatives and participating in short food supply chains.
- **Networking and Collaboration:** Facilitate collaboration and networking among various stakeholders, including businesses, NGOs, government bodies, and local communities, to create a supportive ecosystem.
- **Market Access Support:** Provide support for social economy enterprises and local producers to access markets and distribution channels, enhancing the reach and impact of SFSCs.

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