



## Προτάσεις μεταρρυθμίσεων και επενδύσεων και η υλοποίησή τους στα κράτη μέλη – ποια είναι η γνώμη της οργανωμένης κοινωνίας των πολιτών

11 Μαρτίου 2024 από τις 10 π.μ. έως τη 1 μ.μ.

Σπίτι της ΕΕ - Λεωφόρος Λόρδου Βύρωνος 30, 1096 Λευκωσία (αίθουσα συνεδριάσεων στο ισόγειο)

### Organiser of this round table:

- European Economic and Social Committee (EESC)

### Description

*This round table discussion was organised as part of the consultation carried out by the EESC's European Semester Group ([ESG](#)) with a view to the own-initiative opinion "Reform and investment proposals and their implementation in the Member States: the views of organised civil society (2023-2024 cycle of the European Semester)" ([ECO/631](#)). With this opinion, the ESG is continuing the work begun in 2021: consulting national economic and social councils, the social partners and civil society organisations in the EU Member States on a key subject of the European Semester. This consultation focuses firstly on reform and investment measures in the Member States, particularly those based on the [2023 country-specific recommendations](#), and their implementation; the aim is to assess the effectiveness of these measures and establish whether it is possible to target the proposals more accurately, improve implementation and monitoring, and step up the involvement of organised civil society in the procedures. Secondly, it focuses on issues relating to the ongoing [review of the EU's economic governance rules](#), which primarily seeks to strengthen public debt sustainability while promoting sustainable and inclusive growth in all Member States through reform and investment. Lastly, the EESC intends to continue previous consultation exercises by examining the state of play of the implementation of the reforms and investments provided for in the national recovery and resilience plans and financed by the [Recovery and Resilience Facility](#) funds.*

*The findings of this consultation will be summarised in and appended to an EESC opinion, in which the Committee continues to promote a more interactive European Semester and economic governance framework, with greater ownership at national level and closer involvement of organised civil society.*

*This round table discussion addressed the following questions (taken from the questionnaire on which the consultation is based):*

- *The reform and investment measures in the Member States, particularly those based on the 2023 country-specific recommendations<sup>1</sup>, and their implementation;*
- *The reform of the EU's economic governance rules;*
- *The implementation of the reforms and investments provided for in the national recovery and resilience plans.*

<sup>1</sup> For a quick overview of the CSRs for your Member State, please consult the [country-specific recommendations database](#) established by the European Commission Recovery and Resilience Plans in the 2023 European Semester (europa.eu).

# Report

## Statements by organised civil society (social partners and civil society organisations) in Cyprus

### **Lukas Aristodimou** (Παγκύπρια Ένωση Καταναλωτών)

- Energy is the most important concern for the whole of Cypriot society as the cost is unsustainable.
- Cypriot consumers are not responsible for the very high electricity prices.
- Transparency must be guaranteed in every energy sector or the reforms will not have any effect.

### **Michael Lytras** (Παναγροτική Ένωση Κύπρου):

- Our Union had nothing to do with the Cyprus Recovery and Resilience Plan (RRP).
- Green growth cannot be applied everywhere in the same way. Cyprus has specific weather conditions that must be taken into account.
- There is unfair competition with non-EU countries (Turkey) in the agricultural sector.
- Agricultural medicines that are marketed in the occupied territories and banned in the EU contribute to higher production.

### **Stefanos Koursaris** (ΠΟΒΕΚ)

- Permanent consultation of the social partners could be established in Cyprus as well, with the possible establishment of a Social and Economic Council.
- The language used by the European institutions is incomprehensible and the social partners are lost in translation. Simpler language is desperately needed.
- The energy support measures should remain because they provide significant relief for businesses, especially family businesses.
- The implications of the new rules should be explained in detail to Cypriot society.

### **Thomas Thoma** (Ένωση Κύπριων Αγροτών)

- The green transition should be balanced and measured because what matters most is food security.
- Lack of water is causing major problems for the agricultural sector in Cyprus.
- The appropriate infrastructure should be created to enable Cyprus to compete with the rest of the EU.

### **Stalo Demosthenous** (ΚΕΒΕ)

- No access to finance for businesses.
- SMEs in Cyprus are not well informed about green loans.
- Female employment remains very low compared to the European average. More incentives should be given.
- Continuous education of people and workers to address the challenges.

### **Iphigenia Katsii** (Οργανισμός Κοινωνικής Πολιτικής και Δράσης)

- There should be support for mountain areas and the elderly.
- Opportunities for funding to non-governmental organisations that carry out important social work.
- More and better consultation at local level is needed.

### **Antonis Chrysostomou** (ΕΠΟΕΤ- ΟΗΟ ΣΕΚ)

- Products in Cyprus are very expensive because it is an island.
- Reduction of prices through higher subsidies.

### **Andros Georgiadis** (κίνημα Αναπήρων)

- Greater understanding of and support for vulnerable groups.

### **Erotokritos Katelaris** (ΕΠΟΠΑΗ- ΟΗΟ ΣΕΚ)

- State-owned enterprises should be treated as companies and not as public bodies.
- Major energy infrastructure is needed (e.g. infrastructure for energy storage).

- Public procurement procedures for the supply of materials or works run very late: this costs valuable time and delays necessary, major energy projects.

#### **Glafkos Dragoumis (Συνομοσπονδία Εργαζομένων Κύπρου)**

- A cap on oil purchases is needed.
- The country is not claiming what it needs. There is significant dependence on oil and so discounts on emission rights should be given.
- Large subsidies for solar panels have driven down prices.
- Regulators should do their job and not just be observers in the energy market.
- Energy company surpluses should be channelled to farmers who are unprotected.

#### **Myria Vassiliou (ΠΟΕΔ)**

- The teachers' federation was not invited to contribute to Cyprus's RRP despite significant problems in primary education.
- The teacher evaluation should be modernised gradually, over a period of eight years.
- Teachers' skills must be updated to prepare them for the digital transition.
- There is no material or technical equipment available for the digital transition.
- Pre-primary education should be considered to start at the age of four years.

#### **Leonidas Paschalidis (KEBE)**

- Some of our views have been incorporated into Cyprus's RRP, especially the emphasis on the importance of the media for the Cypriot economy.

#### Statements by EESC members

#### **Ioannis Vardakastanis (President of the Section for Economic and Monetary Union, Economic and Social Cohesion)**

- Brief welcome and presentation of the role of the EESC in the EU.
- Reference to the importance and contribution of organised civil society in the EESC's work.
- The implementation of reforms and investments will support the development of the Cypriot economy.

#### **Manthos Mavrommatis (EESC Group I - Employers)**

- The RRP is excellent and will significantly stimulate Cyprus's economy.
- However, there are delays due to red tape and obstructionism by the Cypriot government.
- While the design of the RRP is sound, its implementation has political costs for both the government and the political parties and therefore it is not moving forward.
- A big problem is the populists who promise a lot at no cost which is unworkable.

#### **Pieris Pieris (EESC Group II - Workers)**

- The absorption of RRF funds should be accelerated because there are delays in the disbursement of the third and fourth tranches.

#### **Michael Antoniou (EESC Group I - Employers)**

- The Cypriot government has approached several organisations with a view to consultation and the final design of the RRP.
- The OEB contributed decisively to the design of the RRP and is the manager of a circular economy project.
- There are several differences with international standards as regards state-owned enterprises. The governance of these enterprises needs to be improved and they need to be run in a more private sector-oriented manner.
- This consultation has highlighted the high quality of the social partners and pointed out that their contribution to developing Cyprus's economy is key.
- Civil society clearly wants a more active role.

#### **Andreas Matsas (EESC Group II - Workers)**

- All stakeholders have similar concerns and want to make Cyprus more competitive and its economy more sustainable.
- It is clear from the debate that the stakeholders are inclusive and an expression of democracy.
- Reforms are not part of neoliberal policies: they are at the heart of democracy.
- The path to green growth has a social dimension, not just an economic one and they are equally important.
- The RRP has been designed with the involvement and input of the social partners, but at the moment there is a significant delay in its implementation. This has put Cyprus in fourth place from the bottom, which may highlight the need to re-evaluate and readjust its parameters.

**Anastasios Yapanis (EESC Group III – Civil society)**

- It is very important that all the voices of organised civil society in Cyprus have been heard.
- Corrective action is necessary.

Statements by the European Commission's External Relations Officers

**Mr Paschalidis**

- With the new rules, avoiding budgetary problems is largely up to the Member States but of course the Council takes the final decision.
  - The RRP was designed in direct cooperation with the Cypriot government.
  - The views of the social partners should be included to a greater extent as there is a gap in the social dialogue.
  - The RRP cannot solve all the country's problems.
  - Infrastructure is important but often complex.
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