European Commission

The EU Mutual Learning Programme in Gender Equality

Pay Transparency

Slovenia, 6-7 October 2026

Comments paper – Cyprus

ösb Consulting
Ein Unternehmen der ÖSB Gruppe.

The information and views set out in this paper are those of the author(s) and do not necessarily reflect the official opinion of the Commission. Neither the Commission nor any person acting on the Commission's behalf may be held responsible for the use which may be made of the information contained therein.

Justice

This publication is supported by the European Union Citizens, Equality, Rights and Values Programme (2021-2027).

This programme is implemented by the European Commission and shall contribute to the further development of an area where equality and the rights of persons, as enshrined in the Treaty, the Charter and international human rights conventions, are promoted and protected.

For more information see: https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/cerv

Implementing the EU Pay Transparency Directive in Cyprus: From Legislative Reform to Practical Implementation

Ioanna (Anna) Pilavaki

Independent Gender Equality Expert

Abstract

Cyprus is pursuing a phased implementation of Directive (EU) 2023/970 by combining legislative transposition with practical measures that support employers in applying the principle of equal pay for work of equal value. The eValueJobs digital tool, extensive capacity-building activities, the newly established Equality Unit within the Department of Labour Relations and the forthcoming THALIA 2021–2027 measures provide an emerging infrastructure for practical implementation. The Slovenian PAY DAY experience offers complementary lessons, particularly through the integration of gender-neutral job evaluation with pay-gap reporting, differentiated support according to organisational capacity and measures to reduce administrative burden. Experience from both countries demonstrates that effective pay transparency requires not only legislation and digital tools, but also gender-neutral job architecture, sustained capacity-building, institutional support and social dialogue.

1. The National Context

1.1 Legislative framework

Cyprus has a long-standing legal framework safeguarding the principle of equal pay for men and women performing the same work or work of equal value. According to the latest Eurostat data, the unadjusted gender pay gap in Cyprus was 11.8% in 2024.

The transposition of Directive (EU) 2023/970 is currently underway through dedicated legislation on equal pay and pay transparency. Following public consultation, a revised draft law was published in 2026. The revised framework introduces pre-employment pay transparency and a prohibition on enquiries about pay history, strengthens employees' rights to pay information, and requires gender-neutral pay structures and job evaluation criteria. It also establishes gender pay gap reporting obligations for employers with 100 or more employees and provides for joint pay assessments where an unjustified gender pay gap of at least 5% persists. Monitoring and enforcement are supported through labour inspection, the Ombudsman and judicial remedies.

1.2 Supporting implementation measures

Recognising that legislative reform alone is insufficient, Cyprus has adopted a broader implementation strategy combining practical tools[1], employer guidance, capacity-building and institutional support to promote gender-neutral pay systems and facilitate compliance with the Directive.

1.2.1 eValueJobs digital tool

Cyprus has developed eValueJobs, a digital gender-neutral job evaluation tool based on the principle of equal pay for work of equal value. It enables employers to evaluate and compare jobs using objective criteria, including qualifications and skills, responsibilities, effort and working conditions, and to relate the results to existing pay structures. The tool therefore provides practical infrastructure for identifying and preventing potentially unjustified pay inequalities.

1.2.2 Capacity-building and training

To maximise the practical value of eValueJobs, the Department of Labour Relations implemented a comprehensive capacity-building programme targeting employers and key labour market stakeholders. The programme combined practical training with guidance materials, manuals and checklists, enabling participants to apply gender-neutral job evaluation methodologies within their organisations.

A total of 28 training activities, including multi-day seminars and online sessions, reached approximately 500 HR professionals, payroll officers, employers' and trade union representatives, and trainers. Through a train-the-trainers approach, employer and trade union organisations subsequently extended the programme to their own members.

The eValueJobs tool was also piloted by major employers, including the Cyprus Telecommunications Authority (Cyta), Bank of Cyprus and other large organisations participating in the programme. Participant feedback has been positive, while the Department of Labour Relations continues to provide technical support and respond to employers' enquiries. A comprehensive package of publicly available supporting resources, including user manuals, checklists, good practice guides and explanatory videos in Greek and English, further supports employers in applying the methodology beyond the formal training activities.

1.2.3 Institutional support

An Equality Unit has also been established within the Department of Labour Relations to provide practical support and assistance to employers, including in relation to the use of the eValueJobs tool. This strengthens the institutional support available to employers in implementing gender-neutral job evaluation in practice.

[1] https://www.mlsi.gov.cy/mlsi/dlr/dlr.nsf/reductionofwage_el/reductionofwage_el?opendocument

1.3 Future developments

1.3.1 THALIA 2021–2027 Project

Further implementation support is being developed through the THALIA 2021–2027 Cohesion Policy Programme, co-financed by the European Union. Planned measures include a dedicated online platform, practical guidance and training for employers, research and awareness-raising activities, and technical support for the implementation of the new pay transparency requirements. These measures are intended to complement the existing eValueJobs infrastructure and strengthen employers' capacity to comply with the forthcoming legal framework.

2. Policy Debate and Implementation Challenges

2.1 Key issues emerging from the policy debate

Public consultation on the draft legislation demonstrated broad support for the objectives of the Pay Transparency Directive while confirming that legislative reform alone would not ensure effective implementation. Stakeholders highlighted the need for practical guidance, employer training, user-friendly tools and continuous technical support, particularly for organisations with limited experience in gender-neutral job evaluation and pay transparency.

2.2 Challenges and opportunities

Implementation presents practical challenges, particularly for SMEs with limited experience in gender-neutral job evaluation and pay-structure analysis, making accessible guidance and continuous capacity-building essential. At the same time, the Directive provides an opportunity to move beyond formal compliance towards more systematic review of job structures and remuneration practices. Existing eValueJobs infrastructure, training and technical support, complemented by the forthcoming THALIA measures, provide a basis for progressively embedding pay transparency and equal pay for work of equal value into organisational practice.

3. Good Practice Examples

3.1 eValueJobs: A practical tool for gender-neutral job evaluation

eValueJobs constitutes a good practice by translating the principle of equal pay for work of equal value into a practical, gender-neutral methodology. Its value extends beyond identifying potential pay disparities: by enabling employers to assess the objective value of jobs and review existing pay structures, it can also contribute to preventing inequalities from becoming embedded in remuneration practices.

3.2 Building employers' capacity

The combination of eValueJobs with practical training, guidance and continuous technical support is another important feature of the Cypriot approach. The train-the-trainers model further enhances sustainability by enabling employer and trade union organisations to disseminate the methodology among their members.

3.3 Ensuring long-term sustainability

The THALIA 2021–2027 measures can sustain this infrastructure through continuing digital resources, guidance, training and institutional support, helping to embed implementation beyond the initial legislative transposition.

4. Transferability of the Slovenian Good Practice to Cyprus

Table 1. Comparison of the Slovenian and Cypriot approaches to pay transparency

Slovenian approach	Cypriot approach
PAY DAY integrated digital tool	eValueJobs digital tool
Integrated gender pay gap calculation and gender-neutral job evaluation	Gender-neutral job evaluation based on equal pay for work of equal value
Automated calculation of Article 9 pay-gap indicators using existing administrative pay data	Structured evaluation and comparison of jobs against existing pay structures
Three job-evaluation models adapted to organisational size	Common structured weighted job-evaluation methodology
Integrated worker categorisation and identification of work of equal value	Objective evaluation based on qualifications/skills, responsibilities, effort and working conditions
Multi-stakeholder governance linking legislation, methodology, technology and employers	Institutional support through the Department of Labour Relations, combined with employer and social-partner capacity-building
Parallel development of legislation and implementation infrastructure	Phased implementation combining existing eValueJobs infrastructure with forthcoming THALIA support measures
Privacy-by-design and automated reporting architecture	Existing practical job-evaluation infrastructure complemented by forthcoming reporting and guidance infrastructure

4.1 Strengths of the Slovenian approach

The Slovenian PAY DAY approach offers several elements of particular relevance to Cyprus. A major strength is the integration of gender pay gap calculation and gender-neutral job evaluation within a single digital environment. The reporting module reuses administrative pay data already submitted by employers to the state, thereby reducing additional administrative burden, while automatically producing the indicators required under Article 9 of the Directive. The privacy-by-design approach, whereby data are processed locally without being transmitted outside the user's computer, is also particularly relevant when handling sensitive pay data.

Another important feature is the adaptation of job evaluation to organisational capacity. PAY DAY provides different evaluation models for small, medium-sized and larger organisations, recognising that a single methodology may not be equally workable for all employers. This is particularly relevant for Cyprus, given the large proportion of SMEs and the need for practical and proportionate implementation support.

4.2 Adaptation to the Cypriot context

The Slovenian experience of developing practical implementation tools in parallel with the transposition process is particularly relevant to Cyprus, where the revised draft legislation now provides a clearer framework within which existing job-evaluation tools and pilot initiatives can be further developed. Transferability to Cyprus should therefore build on, rather than replace, the existing eValueJobs infrastructure. In particular, Cyprus could further strengthen its approach by linking gender-neutral job evaluation more closely with pay-gap reporting and by exploring ways to minimise employers' administrative burden through the use of existing data sources, where legally and technically feasible. The Slovenian privacy-by-design model also provides a useful reference for the development of future digital reporting arrangements involving sensitive pay data.

A further transferable element is differentiated support according to organisational size and capacity. Simplified approaches for smaller employers, combined with more detailed methodologies for larger organisations, could facilitate implementation in the Cypriot context. The newly established Equality Unit within the Department of Labour Relations, together with the existing eValueJobs infrastructure and the forthcoming THALIA measures, provides a useful institutional basis for such tailored and continuous employer support.

4.3 Potential for mutual learning

The comparison highlights opportunities for mutual learning. Slovenia's integration of job evaluation, worker categorisation and pay-gap reporting offers useful lessons for Cyprus, while Cyprus' experience with eValueJobs, capacity-building and the train-the-trainers model may inform Slovenia's wider implementation of PAY DAY. Both experiences demonstrate that effective pay transparency requires not only legislation and digital tools, but also gender-neutral job architecture, sustained capacity-building and social dialogue.

5. Conclusions and Recommendations

Cyprus has established a solid foundation for implementing Directive (EU) 2023/970 through legislative preparation, eValueJobs, capacity-building and institutional support, complemented by the forthcoming THALIA measures. The Slovenian PAY DAY experience highlights opportunities to further strengthen this framework, particularly by integrating gender-neutral job evaluation with pay-gap reporting, providing proportionate support according to organisational capacity, reducing administrative burden and ensuring robust data-protection safeguards.

Experience from both countries demonstrates that effective pay transparency requires more than legislation and digital tools. Sustained capacity-building, social dialogue and gender-neutral job architecture are essential for meaningful implementation. At EU level, continued exchange of practical experience on job evaluation, reporting and SME support can help Member States develop approaches that are both legally compliant and workable in different national contexts.

References

European Commission. Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 strengthening the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms.

European Commission. EU Mutual Learning Programme in Gender Equality – Discussion Paper: Pay Transparency (Slovenia, October 2026).

Eurostat. Gender pay gap statistics 2024.

Ministry of Finance, Republic of Cyprus. Cohesion Policy Programme THALIA 2021–2027.

Τμήμα Εργασιακών Σχέσεων, ΥΕΚΑ. ΝΟΜΟΣΧΕΔΙΟ ΜΕ ΤΙΤΛΟ: Ο περί Ενίσχυσης της Εφαρμογής της Αρχής της Ισότητας της Αμοιβής μεταξύ Ανδρών και Γυναικών για Όμοια Εργασία ή Εργασία Ίσης Αξίας, μέσω της Μισθολογικής Διαφάνειας και Μηχανισμών Επιβολής Νόμος του 2026.

Τμήμα Εργασιακών Σχέσεων, YEKA. eValueJobs – Digital Job Evaluation Tool.

Τμήμα Εργασιακών Σχέσεων, YEKA. eValueJobs User Manual.