

Belgium

The interplay of supply- and demand-side instruments in financing CVT/ adult learning (in particular job-related)

In Belgium, public support for adult learning is mostly organised independently for Wallonia and Flanders (and in some cases also independently for Brussels). In both parts of Belgium, supply-side funded provision of adult learning is complemented by demand-side funding approaches.

Demand-side instruments in financing CVT/ adult learning (in particular job-related)

- **Key institutions involved and funding sources**

In Belgium, the majority of demand-side instruments are implemented by regional branches of Public Employment Services, Business interest organisations and Business Development Agencies. In many cases the same type of scheme is implemented in each region but with slightly differing regulations. Most of the schemes are financed through public means.

- **Instruments targeting individuals**

A particular premium is paid to adults finishing training in bottleneck jobs (#332). Moreover, a public scheme replaces mandatory support of employers for employees laid off in case the employer cannot deliver (#331 Outplacement Voucher). In Flanders, individuals can receive a training voucher (#24) worth EUR 125 (with a rate of 50% of co-funding). Moreover, a paid training leave is in place (#25), where employers continue wage payment during training participation and are reimbursed by the scheme. In Wallonia, demand-side schemes targeting individuals are scarce, with the right for a paid training leave (#19) as the most important instrument in place.

- **Instruments targeting companies**

In Wallonia and in Flanders, multiple demand-side funding instruments are targeting companies, SMEs in particular. In Wallonia, various schemes supporting the training costs of employers are in place (#15, #16, #17, #18, #333) targeting different groups of employees and the former (long)-term unemployed. In Flanders, various instruments target companies, SMEs in particular, are established (#21, #335, #22, #334). A scheme supports companies offering apprenticeships (#23). In both parts of Belgium, national legislation provides the framework for agreeing on a payback clause (#236) between employer and employee.

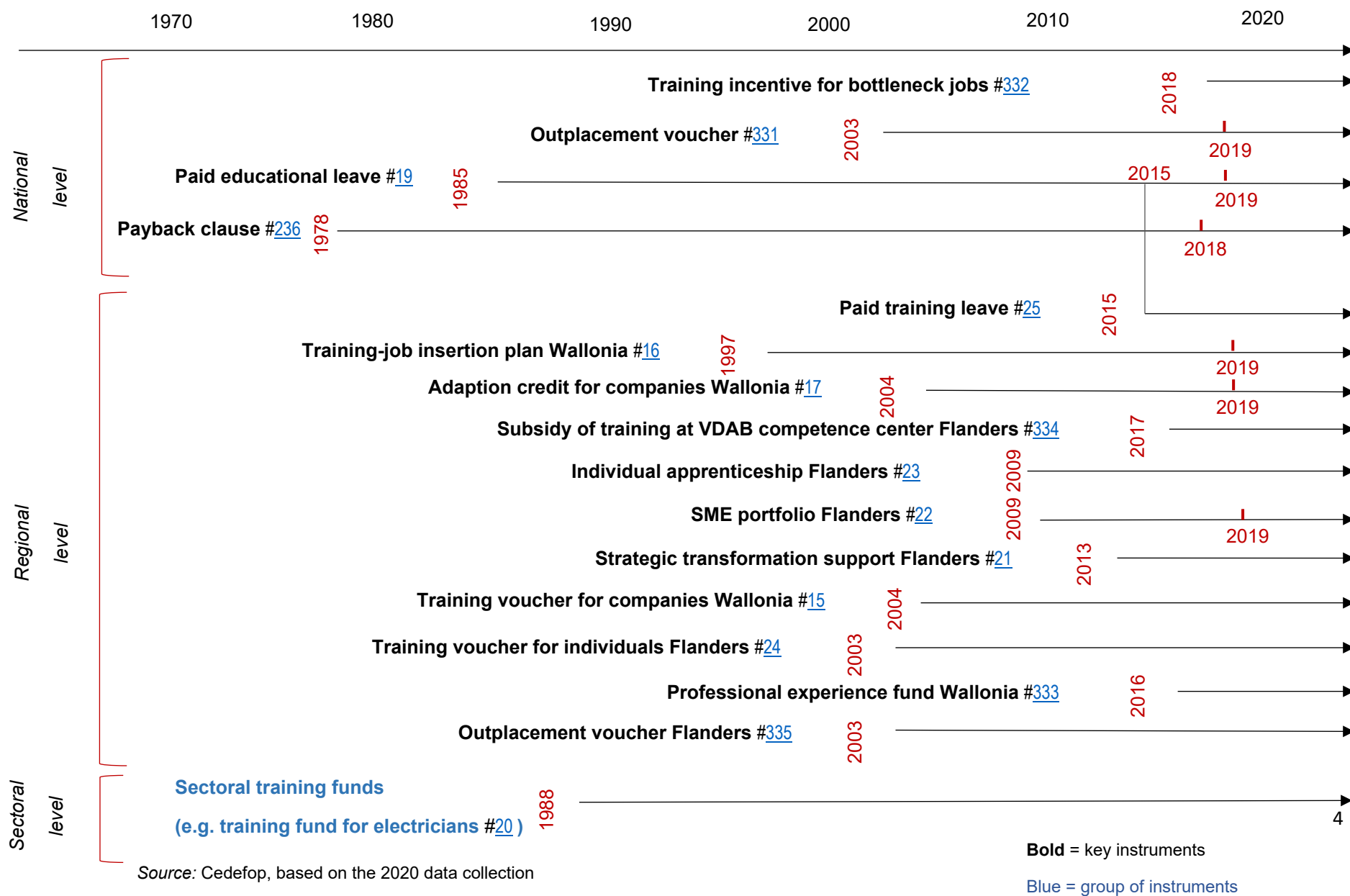
Table 1. Overview of demand-side financing instruments in Belgium by 2020

Level of implementation	Importance of the level of implementation	Overall importance of the instrument	Demand-side instruments targeting individuals		Demand-side instruments targeting companies	
National level	High	Key instruments	Grants for individuals	Training incentive for bottleneck jobs #332 Outplacement voucher #331		
			Further instruments			Payback clause
Regional level	High	Key instruments	Grants for individuals	Training vouchers for employees (Flanders) #24	Grants for companies	Training voucher (Wallonia) #15 Training-job insertion plan (Wallonia) #16 Adaptation credit (Wallonia) #17 Adaptation credit - tutelage section (Wallonia) #18 Strategic transformation support (Flanders) #21 Social intervention fund – outplacement (Flanders) #335 SME portfolio (Flanders) #22 Subsidy of training at VDAB competence centre (Flanders) #334 Individual apprenticeship (Flanders) #23 Professional experience fund (Wallonia) #333
			Training leave	Paid education leave (Wallonia) #19 Paid training leave (Flanders) #25		
		Further instruments				

Level of implementation	Importance of the level of implementation	Overall importance of the instrument	Demand-side instruments targeting individuals	Demand-side instruments targeting companies	
Sectoral level	Moderate	Key instruments		Grants for companies	Training fund for household personal services #13
				Training funds	Sectoral training funds, e.g. <i>Training fund for electricians</i> #20
		Further instruments			

- Evolution of demand-side instruments over time

Figure 1. Overview on the evolution of demand-side instruments in Belgium until 2020



- **Statistics on volumes of funding and beneficiaries**

Table 2. Statistical data on volumes of funding and beneficiaries

ID	Name of the instrument	Year of reference	Volume of funding (EUR)	Year of reference	Beneficiaries (individuals)	Year of reference	Beneficiaries (companies)
20	Training fund for electricians (EN)	Not available	Not available	Not available	Not available	Not available	Not available
13	Training fund for household personal services	2019	4 339 000	2018	35 586	2018	363
14	Cheque/voucher for training job seekers	Not available	Not available	2018	3	Not available	Not available
15	Training voucher	Not available	Not available	2019	554 344	Not available	Not available
16	Training-job insertion plan	Not available	Not available	Not available	Not available	Not available	Not available
17	Adaptation credit	Not available	Not available	Not available	Not available	Not available	Not available
18	Adaptation credit - tutelage section	Not available	Not available	Not available	Not available	Not available	Not available
21	Strategic transformation support	2019	19 653 137	Not available	Not available	Not available	Not available
335	Social intervention fund – outplacement	Not available	Not available	Not available	Not available	Not available	Not available
22	SME portfolio	2019	75 000 000	Not available	Not available	Not available	Not available
337	Truck driver and bus / coach training insertion plan	Not available	Not available	Not available	Not available	Not available	Not available
334	Subsidy of training at VDAB competence center	Not available	Not available	Not available	Not available	Not available	Not available
23	Individual apprenticeship	Not available	Not available	Not available	Not available	2019	11648
333	Professional experience fund	Not available	Not available	Not available	Not available	Not available	Not available
24	Training vouchers for employees	2019	2 740 000	2019	20 746	-	-
332	Training incentive for bottleneck jobs	Not available	Not available	Not available	Not available	-	-
331	Outplacement voucher	Not available	Not available	Not available	Not available	-	-
19	Paid education leave	2018	23 180 628	2018	16 268	-	-
25	Paid training leave	Not applicable	Not applicable	2019	55 957	-	-
26	Time credit	Not available	Not available	2019	328	-	-

Source: Cedefop, 2020 data collection

Table 3. Short descriptions on the financing instruments

ID	Name	Level of implementation	Importance of the instrument	Short description
(1) Training funds				
	Sectoral training funds	Sectoral	Key instrument	In Belgium, mainly restricted to Flanders, there is a tradition of sectoral training funds based on collective agreements. An indicative overview of about 40 sectoral training funds is available at Sectoral support measures (pwc.be) . Companies' contributions to training funds range between 0.1 and 0.6 % of company wage costs depending on the sector. The individual funds differ greatly in their size and type of activities.
20	Training fund for electricians (EN)	Sectoral	Key instrument	Companies in the electro-technics sector are obliged by national law to contribute a fixed share of their payroll costs (0.75%) to a training fund and may receive a contribution to their training costs in return. Courses provided by the fund's training centre are free of charge and employers receive compensation for the loss of working time. Each company gets a training budget per employee of EUR 15.50 per training hour with a maximum of 8 hours each year (EUR 124 per year). Type of education eligible includes both training provided by the fund's training institute and training by accredited external providers. The fund is managed by the social partners, both sectoral trade unions and sectoral employer associations.
(2) Tax incentives for companies				
No tax incentives for companies are established.				
(3) Tax incentives for individuals				
No tax incentives for individuals are established.				
(4) Grants for companies				
13	Training fund for household personal services	Regional (Flanders/Wallonia/Brussels), Sectoral (Household personnel)	Key instrument	Companies in the sector of household/personal services receive a fixed amount of money for their employees in training (flat-rate of EUR 14.50) to compensate for wage loss. In addition, the training cost itself can be compensated (up to certain maximum amount per trainee or per hour). Training is subsidised by the region (EUR 150 for 9 hours and EUR 300 for 18 hours). The budget can only be used for approved/accredited training programmes. This training fund is attributed to household/personal services companies on an annual basis. Funds are distributed in case of meeting pre-determined criteria best (through top-down procedures). All employees working in the sector of household services and registered in the system of 'recognised service cheque company' are eligible groups for this instrument (being registered is a must). The measure cannot be re-used.
14	Cheque/voucher for training job seekers	Regional (Brussels)	Further instrument	Companies offering indefinite contracts to job seekers or job seekers starting new businesses can apply for this public grant. The public co-funding share is 50% of the costs for education and training. Training courses/programmes provided by accredited training institutions are eligible. Fees and other costs related to education and training are considered eligible costs. Each cheque is worth EUR 30 and covers one hour of training. Cheques are valid for 1 year. Actiris (PES of Brussels) funds 50% of each training cheque up to EUR 2 250 for a training programme. If the total amount is above EUR 2 250, the difference in cost is borne by the employer or business owner, as appropriate. ICT and languages are 100% funded by Actiris. This measure can be used once in each calendar year.
15	Training voucher	Regional (Wallonia)	Key instrument	Companies located in the French-speaking Walloon Region (only micro, small and medium-sized companies, MSMEs) may receive vouchers, co-funded by PES, for training their employees. A training voucher with a validity period of 1 year can be purchased for EUR 15 and is worth EUR 30 (including VAT). Depending on the size of the company, the number of training vouchers the company may obtain varies between 80 and 800. Training vouchers cannot be combined with other aid granted by the Walloon Region. Only the courses/programmes provided by accredited training institutions are eligible. Type of education eligible refers to training on different domains, e.g. languages, accounting, ICT, HRM, technological. Courses can be programmes leading to a formal qualification, general courses, occupational courses. In addition to the 'regular' training

vouchers, there exist 2 other targeted training vouchers: (1) training vouchers for learning languages (FR: cheque-formation langue) and (2) training vouchers for learning activities in the domain of environmental studies (FR: chèque-formation éco-climat).

16	Training-job insertion plan	Regional (Wallonia)	Key instrument	Employers located in the Walloon region hiring former unemployed as trainees are eligible for this grant. The employer does not pay a salary to the trainees but a lump sum (indemnité forfaitaire), according to the work performed by the trainee and based on the future wage, to FOREM (Walloon regional employment agency). The training period should last between 4 and 26 weeks. Under particular circumstances, the training period can be extended to 52 weeks. The trainee continues to receive social allowances and receives a monthly bonus from FOREM. This instrument is targeted at any unemployed job seeker registered with Forem. Since the reform in 2019 the employer has to be either a natural person or a legal entity, an autonomous public company or a local authority or a temporary employment agency. The objective of the Plan Formation-Insertion (PFI) is to allow the jobseeker to acquire the necessary skills to be integrated/employed in the company providing training.
17	Adaptation credit	Regional (Wallonia)	Key instrument	Companies located in Wallonia region can apply for public contributions to their training costs in the form of hourly flat-rate financial subventions per worker (6 per worker). FOREM, the regional Public Employment Service (PES) of Wallonia, is the body responsible for the management of this instrument. Training eligible should maintain or develop competencies of employees. The maximum amount that can be received is EUR 80 000 per firm per 2 year period. There is a maximum of 150 hours (average per employee) in a period of a minimum of 1 year and a maximum of 2 years. SMEs and businesses located in the so-called "development areas" receive additional funding.
18	Adaptation credit - tutelage section	Regional	Key instrument	Companies in the Walloon region may receive a public grant to cover the costs of training their employees. The amount granted to the company is EUR 10 per hour of training, with a EUR 1 per hour increase if the person trained is low skilled. The maximum amount the company may receive is EUR 80 000 over a period of 2 years. The training programme should last from 6 months to 1 year and comprise a maximum of 300 hours/per trained employee. The learning worker (trainee) must be a national of a Member State of the European Union or currently reside in the French-speaking Walloon region and be at least 18 years old. He/she must: either have been employed for up to 12 months in the company or be employed by the company and in need of training to access new functions in the company or be an interim worker in the company with a temporary contract with the company at the time of training. No preferential treatment is applied. Funding comes from Regional authorities: The Walloon government and the PES (Forem).
21	Strategic transformation support	Regional	Key instrument	All companies located in Flanders are eligible to receive a public grant, but they need to present (either as a single company or in cooperation with others) a large-scale development plan. Education and training related to such a development plan is eligible for funding. The Flanders Innovation & Entrepreneurship Agency (VLAIO) is the main entity managing this instrument. A company or a group of companies may receive support equivalent to 20% of eligible training costs (fees and other related costs). Training projects need to have a minimum value ranging from EUR 100 000 to EUR 700 000, depending on the type of company or network of companies. No preferential treatment is applied.
335	Social intervention fund – outplacement	Regional (Flanders)	Key instrument	Employers experiencing certain difficulties can appeal for the Social intervention fund of VDAB (Flemish public employment agency) to pay for the outplacement of employees. VDAB chooses an outplacement agency and pays outplacement and training costs up to EUR 1 635 per employee becoming unemployed after e.g. bankruptcy. In addition, there is a fee of EUR 1 090 for every successful outplacement (i.e. resulting in a new job). Finally costs for training necessary to maintain or to increase labour market-related competencies are compensated for. The system already existed at the national Belgian level, however, since the 6th reform, the system has been moved to the 3 regions (Flanders, Wallonia and Brussels).
22	SME portfolio	Regional (Flanders)	Key instrument	SMEs and self-employed persons located in Flanders, who are active in particular sectors/occupations selected by the Flemish Government (BvR) can apply for contributions to their training costs. The Flanders Innovation & Entrepreneurship Agency (VLAIO) is the main entity responsible for the management of this instrument. The eligible education and training activities have to improve the current and future performance of the core functions of the enterprise. Small enterprises are entitled to a subsidy of up to 30% via SME portfolio (with a maximum of support of EUR 7 500 per year) and medium-sized enterprises are entitled to a subsidy of up to 20% via SME portfolio (with a maximum of support of EUR 7 500 per year). Eligible costs include

tuition fees, travel costs of trainer and catering (up to EUR 25 per day). No preferential treatment is applied for any eligible groups. The scheme can be used once in each calendar year.

337	Truck driver and bus / coach training insertion plan	Regional (Wallonia)	Further instrument	This scheme is based on the 'regular' Plan Formation-Insertion (PFI) which is deployed in Wallonia. It is a separate system targeted for transport, more specifically truck and bus/coach drivers. This scheme is specifically targeted to train candidates to obtain the necessary driving licenses for trucks and bus/coach. FOREM (Walloon public employment agency) is the main entity involved in the management of this grant. This grant is provided in the form of a lump sum, to cover specific expenses for obtaining the corresponding driving licence. Up to EUR 50 00 are provided to cover expenses for driving school courses, including theoretical and practical exams.
334	Subsidy of training at VDAB competence center,	Regional (Flanders)	Key instrument	At the request of the employer the VDAB (Flemish employment agency) organises training for employees in its competence centres. Normally this training is paid, however partial or total exemption can be obtained for particular categories of employees (e.g. starting employees, employees at risk of becoming unemployed, employees with medical incapacity of continuing their current job). Subsidy ranges from 25% to full reimbursement (for the medical incapacity category). All companies are eligible (although only those operating in the region of Flanders), but priority is ensured for companies with less than 25 employees.
23	Individual apprenticeship	Regional (Flanders)	Key instrument	Companies willing to hire unemployed people may receive public contributions to the costs of their training. The employer develops a training plan for each person. In addition, the person may follow external training which is related to the job the person is aiming at. The share of co-funding and the maximum amount are variable, depending on the job and the minimum wage. If the IBO (Individuele Beroepsopleiding, Individual apprenticeship) candidate has insufficient knowledge of the Dutch language, free language coaching for the candidate (and colleagues he/she has to work with) can be asked for. IBO-candidate continues to receive his/her unemployment benefits and an additional IBO-premium. The State (Ministry of Labour) funds this grant.
333	Professional experience fund	Regional (Wallonia)	Key instrument	This instrument is targeted at private sector companies to improve the working conditions for employees older than 45. A subsidy can be obtained for buying specific equipment or for participating in training aimed at improving working conditions. The training can be focused on using new ergonomic machines and equipment, acquiring additional skills for a new function, reducing psychological stress, ergonomic training, etc. Between 50% and 70% of training costs can be reimbursed (with a maximum of EUR 30 000 per project per year). There is no preferential treatment. The same applicant can use the scheme once in each calendar year.
(5) Grants for individuals				
24	Training vouchers for employees	Regional (Flanders)	Key instrument	Employees without a higher education degrees may apply for public contributions (vouchers) to cover their education and training costs. Employees with a higher education degree are also eligible provided that the education and training that they follow are a part of their personal development plan agreed with an accredited personal development coach/centre. All kinds of education and training are eligible. This grant is partly funded by the Public Employment Service (PES) Flanders (VDAB), with co-funding from the individual. Employees can purchase vouchers in advance, with which they then pay the training institution. Employees can buy vouchers paying 50% (for no tertiary education) of their nominal value, which may not exceed EUR 125 per year. 50% of the value of the vouchers is co-funded by VDAB (PES Flanders). The funding is directly transferred to the training institution. No preferential treatment is applied for a particular eligible group. The voucher scheme does not apply to the self-employed, unemployed, persons with a student contract, and persons with a working contract of fewer than 80 hours per month.
332	Training incentive for bottleneck jobs	National	Key instrument	Employees who participate in an employer-provided training in a bottleneck job receive a lump-sum premium of EUR 350 as an individual reward for completing the training. The employer is benefiting indirectly as the incentive is intended to increase the motivation of the employees to complete the relevant programmes. For individuals eligible for receiving the incentive, the training need to last at least 4 weeks, with a weekly minimum workload of 35 hours/week. Training must be job-related.
331	Outplacement voucher	National	Key instrument	People who have lost their job in the private sector have in general the right to outplacement aid paid by their (former) firm. However, if this firm does not comply people may apply for outplacement paid by FOREM (Walloon public employment agency). Certain conditions and obligations have to be fulfilled and FOREM will pay outplacement costs up to EUR 1 500 via an outplacement voucher.

(6) Loans

No loan incentive is established.

(7) Training leaves

19	Paid educational leave	Regional	Key instrument	Private sector workers and employees of public sector companies have the right to short paid educational leave, up to 125 working hours. The scheme provides for the continued payment of salary by the employer to the employee and the possibility for the employer to apply for compensation from the State. Employees on training leave have the right to receive their normal wage, if appropriate. The scheme is capped at EUR 2 928 (the school year 2018/2019) of a gross monthly salary and does not contain any arrangements for coverage of fees, travel or accommodation costs. The paid training leave is funded by a government grant and a specific employer contribution (0.05% of total payroll). Eligible employees are private-sector employees and employees of public sector companies on an open-ended and full-time contract (employees must have total employment - spread over several employers - of 80-100%). Since 2015, the management of this scheme from the Federal Government was transferred to the regional level authorities.
25	Paid training leave	Regional	Key instrument	This scheme enables employees in the private sector to be absent from work in order to follow education and training courses/programmes while continuing to receive their salaries. The level of levy is 0.75%. The maximum duration of the leave is 125 working hours. The employer continues paying the salary and receives a lump sum compensation of approx. EUR 21 per hour. Eligible individuals are employed persons with a work contract in the private sector working at least 50% of full-time employment. Accredited vocational and general education programmes/courses are eligible for this instrument (only training from accredited/qualified providers is allowed). The Ministry of Labour is responsible for the application procedure, payment of the amount due, and also provides guidance during the procedure.
26	Time credit	Regional	Further instrument	Individuals taking 'time credit' to enrol in training can (in addition to the national incentive bonus (paid by the federal RVA/ONEM)) apply for a Flemish incentive bonus 'Vlaams opleidingskrediet' (Flemish education credit). Eligible groups for this instrument include employees who have been employed at a company for at least 2 years. No preferential treatment for a particular eligible group is applied in this scheme. The employee receives no wage, but he/she gets an allowance paid by national federal PES (RVA, Rijksdienst voor Arbeidsvoorziening) and the regional PES (VDAB). The financial support depends on previous working time and salary. The minimum duration of the training leave is 1 month, and the maximum duration, 36 months. Education and training eligible for this instrument includes accredited education and training courses/programmes. It must be labour market related, to be chosen from the accredited list.

(8) Payback clauses

236	Payback clause	National	Further instrument	Employers and employees can agree on a payback clause. In compensation for employer-provided/financed training, employees commit themselves to stay in the company for an agreed period or (partially) pay back the costs of training. The payback clause must be agreed on in an individual agreement and must not be part of the general working contract or the collective agreement. The duration of the payback clause must not exceed 3 years (from the moment of completion of training). Maximum 80% of training costs can be reimbursed by the employee to the employer. The amount to be reimbursed cannot exceed 30% of the employee's annual salary and must decrease progressively over time.
---------------------	----------------	----------	--------------------	--