

Financing adult learning database

Name of the instrument - Local language	Industriens Kompetenceudviklingsfond (IKUF)
Name of the instrument - English translation	The Industry Competence Development Fund
Scheme ID	58
Country	 Denmark
Reporting year	2020
Type of instrument	Training fund
Sub-type of instrument	Sectoral level collection and sectoral level distribution
Type of entry	Example for a group of instruments
Short description	<p>The Industry Competence Development Fund is one of the sectoral training funds in Denmark. The Fund is based on a collective agreement at a sectoral level between some of the biggest trade unions and employers' organisations in Denmark. The training fund is a legal body funded by companies in the manufacturing sector through the respective employer interest organisations in the sector. Companies in the manufacturing sector are obliged by collective agreement to contribute a fixed amount per employee (DKK 520 (approx. EUR 70)) to a training fund and may receive contributions to their training costs in return. Eligible activities include general education, secondary education, adult vocational training, and tertiary education. The compensation can both be transferred directly to the employee or the employer. This depends on whether an employee applies for funding for self-selected education or whether the employer and employee make an agreement to apply for funding for a mutually agreed upon education. The training fund secures that 85% of lost wages for up to 10 days of work and 100% of course fees are compensated. Learners may also receive reimbursement for travel costs (if the travel time exceeds 2.5 hours). The fund needs to be seen as complementing the Employers' Reimbursement System with a component allowing employees to freely choose training activities according to their own interest, while the employers receive co-funding for training costs mainly by the Reimbursement System.</p>
Level of operation	Sectoral

Name of a part of the country	Not applicable
Name of the region (for regional instruments)	Not applicable
Name of the sector (for sectoral instruments)	<p>Construction</p> <p>Transport & logistics</p> <p>Digital</p> <p>Energy</p> <p>Food</p> <p>Trade</p> <p>Life Science</p> <p>Counselling</p> <p>Service.</p>
Relevance	Further instrument
Legal basis	Organisation Agreement on The Industry Competence Development Fund - Part of collective agreement.
Objective(s) and target(s)	To ensure the development of employee's competences in order to maintain and strengthen companies' competitiveness in a globalized economy. The fund also aims to support the development of employee's competences to maintain and strengthen their employment opportunities.
Year of implementation	2007
Year of latest amendment	2020
Eligible group(s)	<p>The company must take the initiative to, in collaboration with the employees, determine the overall framework and the priorities for the use of the funds. It is the company's education committee that sets the criteria for granting the funds. Employees can apply for grants within this framework. The Education Committee bears the overall responsibility of defining the criteria for distribution of funds. For funds to be granted, there must be funds available on the competency development account. Individuals have the right to apply for a grant from IKUF when they have been employed by the same company that is covered by one of the following agreements: - Industry Agreement (employment for at least six months) - Industry Employees' Agreement (employment for at least six months) - Agreement between DI and CO industry for DONG ENERGY offshore employees (employment for at least six months) - The food industry agreement between DI and NNF (employment for at least six months)- The agreement for the slaughter area</p>

	between DI and NNF (employment for at least nine months). Employees who are working under the agreement can seek reimbursement. The individual employee can spend up to two weeks a year (10 working days) on self-selected education. All applications for refunding of training costs are assessed on an individual basis.
Group(s) with preferential treatment	no
Education and training eligible	A wide range of training activities that focus on employment in the industrial sector and have been pre-approved by IKUF; different educational levels (general education, secondary education, adult vocational training and tertiary education).
Source of financing and collection mechanism	Levy on companies - a fixed annual amount of DKK 520 (approx. EUR 70) per employee. Companies' contributions are collected through IKUF secretariat.
Financing formula and allocation mechanisms	The compensation can both be transferred directly to the employee or the employer. This depends on whether an employee apply for funding for a self-selected education or whether the employer and employee make an agreement to apply for funding for an 'agreed upon education'. An employee can receive wage compensation of a maximum of 74 hours (10 working days) per calendar year. However, if an employee has not used the training fund in the previous 2 years, he/she can accumulate and receive compensation for up to 222 hours in a given calendar year. The training fund secures that 85% of lost wages are compensated. Course fees are also compensated (100%) and in some circumstances also travel costs (if the travel time exceeds than 2,5 hours). The employee cannot receive any wages during the training period to remain eligible to compensation. Allocation: Money is transferred directly to the learner's bank account after sufficient documentation has been received by IKUF (Reimbursement principle).
Eligible costs	Fees and other costs related to education and training (e.g. travel costs, lost wages)
Volumes of funding	There is no public information on the exact size on the IKUF. The Fund has earlier on been criticized as there are no public information about the size of the Fund. However, the collective agreement of the Industry covers 220 000 employees (the biggest of the five collective agreements covered by the IKUF). No statistics on the funds collected are available in the public domain
Beneficiaries/take up	There is no public information on the exact size on the IKUF. The Fund has earlier on been criticized as there are no public information about the size on the Fund. However, the collective agreement of the Industry covers 220 000 employees (the biggest of the five collective agreements covered by the IKUF).
Organisation responsible for monitoring/evaluation	Industriens Uddannelser

Most relevant webpage - in English	https://www.danskindustri.dk/english/
Most relevant webpage - local language	https://www.ikuf.dk/
Recent changes	<p>With the renewal of the collective agreement in 2020, it has been agreed that the pilot scheme, which was valid in the collective agreement period 2017-2020, with the possibility of support for the companies from the Industrial Competence Development Fund (IKUF) for the employees' agreed training will be permanent. Previous to that: In 2017, a further opportunity was established for the company to obtain support for agreed training (before 2017, the fund only provided support for employees' self-selected training). The employees' agreed training was agreed upon to further support employees to make use of the Fund. Before the amendment there has been criticism about the complexity of applying for compensation. The new grant scheme will make it easier for employees as their employer will help with all necessities in relation to the application.</p> <p>Recent changes in response to COVID-19</p> <p>Support is kept in case the courses could be implemented as foreseen. However, in the case of online courses, costs are refunded for the course fees, but no wage replacement is offered.</p>
Sources	https://www.ikuf.dk/ https://www.ikuf.dk/media/9660/organisationsaftale_tekst_til_hjemmeside...