


Financing adult learning database

Name of the instrument - Local language	Co-financement de la formation (du plan de formation de l'entreprise)
Name of the instrument - English translation	Joint funding of training (of the company training plan)/ support and development of continuing training
Scheme ID	142
Country	 Luxembourg
Reporting year	2020
Type of instrument	Grant for companies
Sub-type of instrument	Support for direct costs and wage costs
Type of entry	Single instrument

Short description	Employers can receive public contributions to the incurred eligible training costs. Companies receive 15% of the eligible training costs of a year (for wage costs of low qualified young adults and for employees 45+, they can receive a contribution of 20%). Upper ceilings for the public contributions per company apply, (20% of total payroll for companies with 1 to 9 employees; 3% for companies with 10 to 249 employees; 2% for companies with more than 249 employees). Continuous education and training are considered as an eligible type of training to be funded. At least 50% of training time should be scheduled within normal working hours. Eligible training also includes external and internal training, firm/sector-specific and transferable, workplace adaptation training, on-the-job training, self-learning, and e-learning, conferences, fairs, and exhibitions. Training is not cumutable with training provided under the 'individual training leave' scheme. The same applicant can use the scheme once in each calendar year.
Short description of the related instruments	Not applicable

Level of operation	National
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)	Not applicable
Relevance	Key instrument
Legal basis	Section 2 of chapter II from title IV of book V of the Labour code (Introduced originally by the Grand Ducal Regulation of 30 December 1999 made pursuant to the law of 22 June 1999 aimed at the support and development of continuous vocational training; subsequently modified by the Act of 28 March 2012 amending the Law of 19 December 2008 on the reform of vocational training and the Labour Code). Law of 29 August 2017 amending the Labour Code
Objective(s) and target(s)	Support lifelong learning in companies
Year of implementation	2000
Year of latest amendment	2018
Operation/management	Ministry of Education and Vocational Training; National Institute for Continuing Vocational Training (INFPC): checking the applications, updating the tools (e.g. web portal).
Eligible group(s)	Private sector companies that are legally based in the Grand Duchy and carry out most of their activities there.
Group(s) with preferential treatment	For small and medium-sized companies, higher ceilings of the state support applies. Upper ceilings for the public contributions per company apply, (20% of total payroll for companies with 1 to 9 employees; 3% for companies with 10 to 249 employees; 2% for companies with more than 249 employees)
Education and training eligible	Continuous education and training. At least 50% of training time should be scheduled within normal working hours. External and internal training, firm/sector specific and transferable. Workplace adaptation training. On-the-job training, self-learning and e-learning. Conferences, fairs and exhibitions. Training not cumulable with training provided under the 'individual training leave' scheme.
Source of financing and collection mechanism	State (Ministry of Education and Vocational Training) company
Financing formula and allocation mechanisms	Article L. 542.13: Private sector companies legally established in Luxembourg and performing main business operations in the country can obtain a training aid from the State amounting to 15% of the taxable yearly amount invested. The financial participation of the State is increased to 35% for the salary costs of participants meeting the following criteria on the start date of the training plan: participant has no recognised qualifications and has been with the company for less than 10 years; participant is over 45 and either holds a recognised qualification or has been with the company for more than 10 years. Article L. 542.14: Companies that have incurred

	<p>continuous vocational training expenses and that did not opt for a direct financial aid from the State (in accordance with Article L. 542-13) are entitled to a tax rebate (Act of 28 March 2012). The tax rebate is 14 percent of the total cost vocational training costs for the financial year. The tax rebate, calculated on the basis of wage (labour) costs, is increased by 11 percentage points if the training is for beneficiaries that have no recognised qualifications and have been with the company for less than 10 years; or that are over 45 and either hold a recognised qualification or have been with the company for more than 10 years. The tax rebate is deductible from the income tax due for the financial year in which the training costs were incurred. Art. L. 542-11. (Act of 28 March 2012): Upon written request, the companies' training plan exceeding a total of EUR 75 000 , get the approval of the Ministry. Training plans totalling less than EUR 75 000 fulfil the co-financing rate set by the State. The state contributes to continuous training costs, according to the company's preferred option, either in the form of a direct financial aid (in accordance with Article L. 542 -13) or in the form of an income tax rebate (pursuant to Article L. 542-14).</p>
Eligible costs	Fees and other costs related to education and training; wage costs during participation
Volumes of funding	EUR 177 000 000 for 2015, 2016 and 2017
Organisation responsible for monitoring/evaluation	Ministry of Education and Vocational Training.
Most relevant webpage - in English	https://www.lifelong-learning.lu/Detail/Article/aides/cofinancement-de-...
Most relevant webpage - local language	http://www.lifelong-learning.lu/Detail/Article/Aides/cofinancement-de-l...
Recent changes	<p>2018 The State's financial participation drops from 20 to 15% of the amount invested in training in the course of the financial year. It is increased by 20% for the wages cost of participants meeting one of the following criteria on the date the company's training plan is implemented: no qualifications recognised by the public authorities and less than 10 years' service, over 45 years of age. These employees who benefit from special co-funding must be identified on each supporting document. Investment in training is capped according to the size of the company: at 20% of total payroll for companies with 1 to 9 employees; at 3% of total payroll for companies with 10 to 249 employees; at 2% of total payroll for companies with more than 249 employees. co-financing changed from 20% to 15% to reduce the public burden.</p> <p>Recent changes in response to COVID-19</p> <p>No changes</p>
Sources	<p>http://www.legilux.public.lu/leg/textescoordonnes/codes/co_de_travail/Co...</p> <p>http://www.men.public.lu/catalogue-</p>

	publications/professionnel/formation...
	https://www.lifelong-learning.lu/Detail/Article/Aides/cofinancement-de-...
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