

# Making VET financing model flexible and performance-based

**POLICY DEVELOPMENT****REGULATION/LEGISLATION** LATVIA

## Timeline

2019 **Design** 2020 **Design** 2021 **Design** 2022 **Design** 2023 **Implementation**  
2024 **Implementation**

**ID number 36368**

## Background

Vocational education and training (VET) programmes are funded in accordance with the 2007 government regulation (No 655). In October 2019, an agreement and a protocol of disagreements were signed between the Cabinet of Ministers and the Union of Local Governments of Latvia, which envisages the development of a new concept.

## Objectives

To review and increase the basic funding of VET programmes.

To ensure that VET providers under the auspices of local governments and other founders are eligible to receive State budget financing.

## Description

In 2019, a focus group was established to revise the basic funding for VET programmes in line with actual costs. The Union of Local Governments of Latvia, the Ministry of Education and Science, the Ministry of Health, the Ministry of Agriculture and Ministry of Culture participated in the group work.

### **2019 Design**

Drafting the concept for revising the VET financing model started in 2019.

### **2020 Design**

A working group meeting was held in June 2020 to discuss the key concepts (to increase the basic funding of VET programmes and to develop proposals for the procedure by which VET institutions of local governments and other founders may receive State budget financing for VET implementation) and framework of the conceptual report on funding of vocational education. In November 2020, the conceptual report was submitted to the government for the first discussion.

## 2021 Design

In 2021, the draft concept was discussed with the relevant stakeholders.

## 2022 Design

In February 2022, the Cabinet of Ministers approved the concept, which includes proposals for the development of VET funding, enabling the education ministry to apply for additional State budget financing for priority measures in 2022.

Applications for priority measures were submitted to the Ministry of Finance in July 2022. These were mainly aimed at increasing base funding, the number of state-funded places in VET programmes as well as funding for the implementation of internships and work-based learning.

However, applications for priority measures in VET were not supported by the government and so did not receive funding for the implementation of the concept.

## 2023 Implementation

Applications for priority measures were submitted to the Ministry of Finance in June 2023. The focused on increasing the base funding, growth of the number of state-funded places in VET programmes as well as financing internships and work-based learning. The applications for priority measures in VET were not supported by the government.

However, the discussion on the funding of VET continued with the government and social partners (employers' and trade unions).

## 2024 Implementation

Amendments to the government regulation No 655 'Regulations on minimum costs of implementation of vocational education programmes per student' were submitted to the government for approval. They aimed to increase the base funding of vocational education by 20% in accordance with their actual implementation cost. The government accepted a partial increase in base funding given the fiscal constraints.

Cabinet of Ministers Regulation No 146, 5 March 2024 was adopted, establishing the criteria and procedure for insuring students of vocational education institutions against accidents during education process. In contrast to the previous regulation, when students were insured only for the period of apprenticeship and in certain qualifications, now VET students are insured for the entire period of study (because apprenticeships can be implemented flexibly during the study) and in all qualifications

## Bodies responsible

- Ministry of Education and Science

## Target group

### Education professionals

Teachers  
Trainers

### Entities providing VET

VET providers (all kinds)

### Other stakeholders

## Thematic categories

### Governance of VET and lifelong learning

Optimising VET funding

## European priorities in VET

### VET Recommendation

VET agile in adapting to labour market challenges

## Subsystem

IVET CVET

## Further reading

[Regulations regarding the minimum costs of implementation of vocational education programmes per one student](#)

[The conceptual report on funding of vocational education \(2022\)](#)

## Related policy developments

### 2024 Implementation

### VET provider development strategies 2021-27

Future development of every VET provider is to be stated in its development strategy, shaped in consultation with the sectoral expert councils and local municipalities. The strategies are aligned with the sectoral and regional development plans.



LATVIA

#### Type of development

Regulation/Legislation

#### Subsystem

IVET CVET

#### “ ... ” Cite as

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