

Changing funding provisions in dual VET

POLICY DEVELOPMENT

STRATEGY/ACTION PLAN

 NETHERLANDS

Timeline

2017 Implementation	2018 Implementation	2019 Implementation
2020 Implementation	2021 Implementation	2022 Implementation
2023 Implementation	2024 Implementation	2025 Implementation

ID number 28433

Background

Upper secondary VET offers two equivalent pathways: school-based (BOL) and dual/apprenticeship (BBL). The work-based learning requirements in VET are regulated by law (the Adult and vocational education Act, 1996 and the VET and education Law, 2006).

The decreasing number of students in dual VET programmes (from 170 000 in 2009/10 to less than 100 000 in 2015/16) raised worries about labour market polarisation and concerns about the employability prospects of upper secondary VET graduates (at levels 2 and 3, where apprenticeships are predominantly found). In response, the Social and Economic Council of the Netherlands (SER) was instructed by the government to look closely into labour market changes and developments (including the potential impact on recent education choices of students) and to reflect how to improve workplace learning.

In 2016, the preliminary findings of the SER study identified possible explanations for the declining number of dual VET students, such as the economic crisis, increased participation in general education and the negative image of dual VET. Reference was also made to a number of government measures, such as the intensification of certain subjects (central exams being introduced for languages and maths), and the 2014 cascade funding scheme (funding decreases when students need more time than the intended duration of the training) that might have caused uncertainty among employers. The final results of the study included recommendations on encouraging workplace learning in both pathways and cooperation between the education and business community.

Objectives

Subsidy schemes for workplace learning are meant to encourage employers to offer apprenticeships and work placements by covering their costs for supervising apprentices and students.

Description

The existing subsidy scheme for companies to cover the costs of offering learning places to

apprentices (BBL students, and also applicable to VMBO, MBO and higher professional education – HBO VET programmes) was extended in 2017/18 to cover the costs related to learners enrolled in secondary special needs education (*voortgezet speciaal onderwijs*), practical education (*praktijkonderwijs*) and upper secondary VET EQF level 1 programmes. In December 2018, it was decided to extend the duration of this subsidy scheme for employers till 2023. Work-based learning is subsidised not only for VET students in the dual track (BBL), but also for higher education students on dual track pathways in technology, care and agriculture.

Further, to raise the attractiveness of work-based learning among employers, minimum wages for dual track students were not increased.

2017 Implementation

2018 Implementation

2019 Implementation

The Cabinet decided to abolish cascade funding for both dual and school-based VET, starting from the 2019/20 school year. This type of funding existed for only a few years. The reason for this decision was that the longer students stay in education, in either dual or school-based VET programmes, the less funding the school receives in every sequential year.

2020 Implementation

After a decline of several years, the number of apprenticeships (BBL) has increased from 118 000 in 2018 to 127 000 in 2020. As part of the third Recovery package and of the Educational support programme to tackle bottlenecks caused by the COVID-19 pandemic, subsidies for apprenticeships will be increased up to EUR 2 700. By increasing the budget for the subsidy scheme for employers to hire apprentices in the academic years 2020/21 and 2021/22, the government is encouraging employers in sectors hard hit by the COVID-19 pandemic to maintain apprenticeships. This makes it cheaper for companies to retain the professionals of the future in these difficult economic times in the interests of students and companies. Additional funding is available for apprenticeships in agriculture, hospitality and recreation to stimulate the learning culture in these sectors.

2021 Implementation

For the period 2020-24, there is additional funding available for apprenticeships in agriculture, hospitality and recreation. The aim of this additional funding is to stimulate the learning culture in these sectors. For 2022, an evaluation of the subsidy scheme is scheduled, which will be performed by an independent research institute. One of the additional aims of the evaluation is to investigate whether expanding the subsidy scheme into the Caribbean Netherlands is desirable and feasible.

Due to the COVID-19 pandemic, additional funding is available for apprenticeships in sectors sensitive to economic cycles in order to help maintain the number of available apprenticeships. Additional funding is also made available for health and technology because of the significant labour market shortages of personnel in these sectors.

2022 Implementation

The relevant review is pending. The subsidy scheme for workplace learning has been extended by one year, from 1 January 2023 to 31 December 2023.

2023 Implementation

The evaluation of the subsidy scheme has been published, revealing a rise in the number of applications over recent years. Employers who applied for the subsidy generally express positive feedback. Regarding the scheme's effectiveness, 28% of

employers report that the subsidy motivated them to offer apprenticeships, while an equal percentage state that they were already inclined to establish apprenticeships regardless of the subsidy. In response to the review, the minister has decided to extend the subsidy scheme for the period 2024–2028.

2024 Implementation

The national budget for the education ministry for 2025 shows a reduction in the subsidy scheme budget for workplace learning. According to the budget memorandum, the ministry intends to reduce the yearly budget from EUR 274 000 in 2024 to EUR 79 000 in 2029. The accompanying letter from the minister states that the subsidy cuts in the draft budget for 2026–2029 are provisional, meaning that the minister intends to reduce subsidy budgets but that decisions on how to implement these cuts have not yet been made.

2025 Implementation

According to the government information website, the subsidy scheme for workplace learning will continue to operate as a regular measure in the 2025–2026 study year and will remain in force until 31 December 2028.

Bodies responsible

- Ministry of Education, Culture and Science

Target group

Entities providing VET

Companies

Thematic categories

Governance of VET and lifelong learning

Optimising VET funding

Engaging VET stakeholders and strengthening partnerships in VET

Subsystem

IVET CVET

Further reading

[Regulation of the Minister for Education, Culture and Science of 27 November 2018, No MBO-1404200, extending the practical training subsidy](#)

[Letter to parliament about abolishing cascade funding in MBO](#)

[Policy letter on the progress of the VET administrative agreement 2018–20, Ministry of Education, Culture and Science, 15 December 2020](#)

[News item, third Recovery package, education ministry, 24 September 2021](#)

[Annex to policy letter on the National education programme, support programme for recovery and perspective, education ministry, 17 February 2021](#)

[Newsletter on the one-year extension of the grant scheme for workplace learning](#)

[Policy letter of Minister of Education on the evaluation of the subsidy scheme for workplace learning](#)

[Evaluation of the subsidy scheme for workplace learning](#)

[Education Ministry Budget for 2025](#)

[Accompanying Letter from the Minister on the Education Ministry's 2025 Budget](#)

[Can employers get a subsidy when offering an apprenticeship? Government information on the subsidy scheme workplace learning.](#)

[Website where employers can apply for the subsidy](#)

Related policy developments

2025 Implementation

Preventing early school leaving

Since March 2020, the education ministry has issued three policy letters discussing the new approach to further combat early leaving from education and training and support young early leavers achieving sustainable economic independence.

 NETHERLANDS

Type of development

Strategy/Action
plan

Subsystem

IVET

2024 Completed

Quality agreements

Quality agreements centre on a (partly) performance-based funding scheme introduced in 2015. They were concluded between public upper secondary VET schools (MBO schools) and the education ministry and monitored by account managers (ministry officials).

 NETHERLANDS

Type of development

Practical
measure/Initiative

Subsystem

IVET CVET

“ … ” **Cite as**

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<https://www.cedefop.europa.eu/en/tools/timeline-vet-policies-europe/search/28433>