

Expanding financial support for CVET and advanced vocational qualifications

POLICY DEVELOPMENT

REGULATION/LEGISLATION

 GERMANY

Timeline



ID number 28120

Background

Due to structural changes in the economy, and the digital and ecological transformation in the last decade, employees need to learn new skills. Further, with the skilled labour shortage, there is a growing need of attractive career pathways in VET and highly qualified skilled labour.

Objectives

Amended legal acts relating to continuing vocational education and training (CVET) and advanced vocational training aim to:

- (a) open access to CVET funding regardless of qualifications, age or company size, if there is need for CVET because of digital structural change or structural change in any other way;
- (b) expand funding to acquisition of advanced vocational qualifications, making VET more attractive throughout career pathways and meeting the growing need for highly qualified skilled labour.

Description

In 2016, the legislation promoting further training (AWStG) was amended. It improved the financial conditions, under which the low-qualified, the long-term unemployed and older workers could access CVET, in particular through allowances during training and financial incentives for passing exams.

On 18 December 2018, the Qualification Opportunities Act (*Qualifizierungschancengesetz*) was adopted, and came into force on 1 January 2019. The act introduced the right of people in employment to access CVET funding regardless of their qualification, age or company size, if they needed CVET because of digital or any other structural change. The expansion of financial support also addressed those striving for further training in a shortage

occupation. The funding covers the CVET costs as well as salary compensations, subject to shared financing by the employer and proportional to the size of the company. The social partners and Federal State ministries were involved in preparing the act.

The most comprehensive CVET funding instrument in Germany is the legislation that promotes regulated advanced training to upgrade qualifications (*Aufstiegsfortbildungsförderungsgesetz* - AFBG), nationally also referred to as *AufstiegsBAföG*. The law supports participants in vocational advanced training measures by providing financial assistance to cover training measures and living costs. The AFBG is designed to establish and expand participation in higher vocational qualification, strengthen the motivation of young skilled staff in Germany to get involved in continuing training, and improve career promotion opportunities for every individual. It is a major pillar and driver of skills upgrading and occupational advancement (budget allocation: EUR 183.5 million in 2015; EUR 213.4 million in 2016; EUR 265 million in 2017 and in 2018; in 2019, the budget allocation was approximately EUR 267 million). In 2018, the AFBG supported 167 094 people in their upgrading in the vocational system.

2016 Implementation

2017 Implementation

2018 Implementation

2019 Approved/Agreed

The Qualification Opportunities Act came into force on 1 January 2019.

The AFBG law was revised in 2019 (previously in 2016) including comprehensive modernisation and improved benefits. The amendment of the AFBG aims to expand public funding for VET students who want to acquire higher VET qualifications, i.e. VET at tertiary education level. In future, it should be possible to receive subsidies for all levels of advanced training regulated by the Vocational Training Act (BBiG). The 2019 amendment is a further step in improving the attractiveness and excellence of the VET pathway and its equivalence to academic education. In 2019, the AFBG supported 167 040 people in participating in advanced VET.

2020 Implementation

The amendment to the AFBG came into force on 1 August 2020.

The new portal *AufstiegsBAföG - Karriere inklusiv* presents the amended AFBG and all its facets. It explains who can apply for funding, how to get funding, gives examples of beneficiaries, and features a blog with information.

In 2020, new posters, postcard and brochure on the amended AFBG were produced for an advertising campaign.

The budget allocation for AFBG in 2021 is approximately EUR 537 million (78% Federal Government + 22% *Länder*).

2021 Implementation

In 2021, the funding instruments continued.

The Federal Statistical Office (Destatis) reported in 2021 that, on the basis of the AFBG, around 178 000 people were supported nationwide with training, continuing education or other measures in 2020, the year of COVID-19. That was 11 000 more people than in 2019 – an increase of 7%. The amount of funding with which people were supported – a mixture of grants and loans – increased by 13% compared to the previous year: in 2020, it amounted to EUR 783 million.

From 2020, the *Act to promote continuing vocational training in the face of structural change and to further develop training Assistance* (the Work of Tomorrow Act) further expanded financial assistance for continuing training on the basis of the *Qualification*

Opportunities Act and also improved funding opportunities for companies, such as the WEITER.BILDUNG programme, which is implemented by the Federal Employment Agency. A report by the Institute of Employment Research (IAB) from 2021 makes it clear that about 9% of enterprises have applied for a CVET subsidy so far. They were partially or fully reimbursed for training costs and/or paid wage subsidies for the period of leave.

2022 Implementation

In 2022 the funding instruments continued.

The Federal Statistical Office (Destatis) reported in 2022 that, on the basis of the AFBG, around 192 000 people were supported nationwide in 2021, an increase of 8% compared to 2020. Total funding amount increased by 21%. The funding of the AFBG supports participants in vocational advanced training measures by providing financial assistance to cover training measures and living costs to acquire tertiary level qualifications. Proportion of women among those funded increased to 43%. In 2021, as in the previous year, state-recognised nursery school teachers were the most frequently funded occupation with a further training measure. Their number rose by 26% compared to the previous year. In second and third place in 2021 were the occupations of business administrator (*Wirtschaftsfachwirt/-in*; EQF level 6) with persons receiving support and industrial foreman (*Industriemeister/-in Metall*; EQF level 6) receiving support. Among men, the most frequently funded advanced training occupation was industrial foreman in metal, and among women, state-recognised educator (EQF level 6).

In 2022 the Institute of Employment Research (IAB) investigated the reluctance of companies to make use of the funding opportunities that the Qualification Opportunities Act and the Work of Tomorrow Act make available. The study found that in particular, better information for businesses and the reduction of administrative obstacles could increase take-up. Small and medium-sized enterprises (SMEs) in particular often have too few human resources to engage with the issue. Especially for large enterprises, it becomes apparent that funding is not always attractive due to the lower funding rates for them, e.g. larger companies often consider the relationship between expenditure and the expected amount of funding to be unfavourable. In addition, they often already have suitable and flexible internal or external training. They are therefore less dependent on the Federal Employment Agency's offer.

2023 Implementation

In 2023 the existing funding instruments continued and were extended.

In September 2023, the Institute of Employment Research published its 2022 study on the reluctance of companies to make use of the funding opportunities made available by the Qualification Opportunities Act and the Work of Tomorrow Act. Some negative aspects described in the IAB study are addressed by the new Act to promote initial and further training, passed in July 2023 and coming into force successively until August 2024. This law is set to create a reform of the current subsidies, e.g. with a qualification allowance. It is intended to increase transparency for the funding and thereby increase access to further training for employers and employees, as well as simplify the process for the companies and employment agencies. Employees with low skills and whose jobs are threatened by change shall particularly benefit as well as SMEs.

The AFBG offers funding for prospective skilled crafts Meisters, specialists, technicians, educators (EQF 6) and other career climbers with one of over 700 advanced training programmes. Up to three consecutive funding programmes are possible - step by step up to Master's level (EQF 7). As reported by the Federal Statistical Office in 2023, the AFBG supported 192 374 people in participating in advanced VET in 2022, setting a new record. In 2023, 190 100 people (44% were women) were funded under the AFBG, i.e. the number of people receiving funding fell by 2 300 or 1.2% compared to the previous year. The programme focusses on people at the beginning of their career path. The age group of 20 to 30-years-olds was therefore the largest group of all

subsidised persons in 2023 with 127 100 (67%). This group was followed by people aged 30 to 40 (19%). In 2023, as in the previous year, nursery school teachers were the most funded occupation with an AFBG training measure (56 800 people). Second place was taken by master craftsmen and women in the metalworking industry (*Industriemeister/-in Metall*; EQF level 6) with 9 600 recipients, followed by certified business administrators (*Wirtschaftsfachwirt/-in*; EQF level 6) in third place with 8 900 recipients. A total of EUR 1.064 billion in funding was available under the AFBG in 2023, which was 3.6% more than in the previous year.

2024 Implementation

In 2024 the existing funding instruments continued and were extended.

With the introduction of a qualification allowance in April 2024, the Act to promote initial and further training (passed in 2023) makes continuing vocational training more accessible. Fixed funding rates were introduced, making CVET funding more transparent and accessible to all companies and employees. Employment agencies pay companies the qualification allowance for their employees, who are threatened with losing their jobs as a result of structural change, but for whom further training can enable them to find future-proof employment in the same company. The allowance will be paid instead of remuneration during training.

The AFBG offers funding for future skilled crafts Meisters, specialists, technicians, educators (EQF 6) and other advanced qualifications with one of over 700 advanced training programmes. The application for AFBG funding can be completed online. Some federal states already use the easy-to-use AFBG Digital application assistant for this purpose. This service is to be gradually expanded and eventually used nationwide.

On 24 July 2024, the Federal Cabinet approved improvements to the AFBG, which intend to increase its attractiveness, strengthen higher-qualification vocational training and thus the successful recruitment of skilled labour. In addition, the costs for participation in AFBG-funded training programmes are to be reduced. Further, since 1 August, the 29th BAföG Amendment Act has provided AFBG recipients with more financial support and improved funding conditions.

In 2024, a new option for financial support is the pilot scholarship programme for talented apprentices and skilled workers (BAFF), which started as part of the Excellence in VET initiative. This is a double innovation: on the one hand, scholarship funding for talented professionals now also includes the early phase of training. Secondly, the organisations for the promotion of gifted academic students are opening up to vocational training. The BAFF scholarship complements the existing upgrading scholarship (*Aufstiegsstipendium*) and the continuing training grant (*Weiterbildungsstipendium*).

In 2024, the National education platform 'mein NOW' was launched, offering career tests to check own skills and expertise, as well as information on job profiles and prospects, on professional development and further education programmes, on funding opportunities and on counselling services – all in one place.

2025 Implementation

In June 2025, the figures from the Federal Statistical Office for 2024 were published, highlighting the appeal of funding under the AFBG. In 2024, 189 691 people in Germany received funding under the AFBG. At around EUR 1.083 billion, the total amount of funding was around 1.8% higher than in 2023 (around EUR 1.064 billion).

As in the previous years, support from the AFBG primarily reached younger age groups in 2024: 74% of those receiving support in 2024 were under 30 years of age. The 30 to 39 age group accounted for 18% of those receiving support. Further, as in the previous year, state-recognised educators ranked first among the most commonly supported professions with further training measures under the AFBG in 2024, with 55 200 recipients. This group thus accounted for 29% of all recipients. In second and third place in 2024 were industrial foremen in the metalworking industry with 10 200

recipients and business administrators with 9 000 recipients.

The 2025 AFGB campaign published new promoting material (flyer, post cards, posters) with the motto 'On your Upgrading-BAföG, get set, go!'. In March and April 2025, the AFGB Infotour team travelled throughout Germany to graduation ceremonies held by chambers of industry and commerce, chambers of crafts and district craft associations to provide information about the funding opportunities available through the AFGB and to draw attention to the wide range of advisory services available.

Bodies responsible

- Federal Ministry of Labour and Social Affairs (BMAS)
- Federal Ministry for Education, Family Affairs, Senior Citizens, Women and Youth (BMBFSFJ) (since 2025)
- Federal Ministry of Education and Research (BMBF) (until 2025)
- Federal Employment Agency (BA)

Target group

Learners

Adult learners

Older workers and employees (55 - 64 years old)

Persons in employment, including those at risk of unemployment

Entities providing VET

Companies

Small and medium-sized enterprises (SMEs)

Thematic categories

Supporting lifelong learning culture and increasing participation

Promotion strategies and campaigns for VET and lifelong learning

Financial and non-financial incentives to learners, providers and companies

Providing for individuals' re- and upskilling needs

Ensuring equal opportunities and inclusiveness in education and training

European priorities in VET

VET Recommendation

Flexibility and progression opportunities at the core of VET

VET as a driver for innovation and growth preparing for digital and green transitions and occupations in high demand

Osnabrück Declaration

Establishing a new lifelong learning culture - relevance of continuing VET and digitalisation

Subsystem

Further reading

[Website for vocational advancement - Upgrading Training Assistance Act \(AFBG\)](#)

[Development of AFBG funding \(Destatis, 2025\)](#)

[Act to promote initial and further training \(2023-24\)](#)

[Information on qualification allowance \(BA\)](#)

[Overview of funding opportunities for CVET \(BA\)](#)

[IAB Research Report \(2023\)](#)

[Work of Tomorrow Act \(2020\)](#)

[Qualification Opportunities Act \(Qualifizierungschancengesetz\) \(2018\)](#)

[Legislation promoting further training amended \(AWStG\) \(2016\)](#)

Related policy developments

2025 Implementation

The Excellence Initiative for VET

With the Excellence Initiative for VET policy projects are combined into an overarching agenda. Individual activities will be launched successively during 2022 to 2026. Over EUR 750 million have been earmarked for this purpose.

 GERMANY

Type of development

Strategy/Action
plan

Subsystem

IVET CVET

2025 Implementation

National education platform (NOW!)

In 2021, the Federal Ministry of Education and Research (BMBF) is funding the first prototype of a technical infrastructure for a digital education platform.

 GERMANY

Type of development

Practical
measure/Initiative

Subsystem

2025 Implementation**Supporting SMEs to provide future-proof VET**

Under the umbrella initiative, VET 4.0, the Federal Ministry of Education and Research (BMBF) initiated a special funding line (Initial and continuing vocational training in the economy 4.0 – Support structures for SMEs in the adaptation process of in-company training) within the JOBSTARTER plus

 GERMANY**Type of development**

Practical
measure/Initiative

Subsystem

IVET CVET

2025 Implementation**Lifelong vocational guidance for young people and adults**

Building upon the results of its pilot project Continuing education and training guidance, the Federal employment agency launched in 2017 a more comprehensive Lifelong vocational guidance project. The project targets both young people and adults. In 2018, it was piloted at four locations.

 GERMANY**Type of development**

Practical
measure/Initiative

Subsystem

IVET CVET

2021 Completed**Amendment of Vocational Training Act**

The legislative process for amending the Vocational Training Act started in November 2018. Several key changes to be introduced:

Introducing a minimum training wage for apprentices.

 GERMANY**Type of development**

Regulation/Legislation

Subsystem

IVET CVET

2025 Implementation

Partial qualifications to support the low-qualified and unskilled

Partial qualifications (*Teilqualifikationen, TQ*) are educational offers, which allow learners to gain vocational qualifications through systematic, successive qualifications based on the dual training regulations.

 GERMANY

Type of development

Practical
measure/Initiative

Subsystem

IVET

2025 Implementation

National Skills Strategy

In November 2018, the Federal Ministry of Labour and Social Affairs (BMAS) and the Federal Ministry of Education and Research (BMBF) launched a committee to develop a National continuing education strategy (*Nationale Weiterbildungsstrategie*).

 GERMANY

Type of development

Strategy/Action
plan

Subsystem

CVET

“ ... ” Cite as

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