

Introducing individual learning accounts (ILAs)

POLICY DEVELOPMENT

STRATEGY/ACTION PLAN

 BULGARIA

Timeline

2023 Design 2024 Design 2025 Design

ID number 46189

Background

Bulgaria is facing a relatively low participation rate in adult learning, which poses a significant challenge in the labour market that is increasingly shaped by digital transformation and the green economy. In 2022, the proportion of 25-64-year-olds who participated in adult education and training fell to 1.7% and is significantly below the EU average (11.9%). Furthermore, in 2021, only 31% of the Bulgarian population reported having at least basic digital skills, which is well below the EU average of 54%. According to the Council Recommendation on individual learning accounts (ILAs), member states are encouraged to develop flexible systems that allow individuals to accumulate training entitlements and use them as needed throughout their careers.

Bulgaria has recognised that the current adult education and training system is insufficient to meet the needs of the rapidly evolving job market. Many sectors, particularly those related to digital and green skills, are experiencing labour shortages, and existing training programmes do not adequately address these gaps.

Objectives

The key goals and objectives for introducing ILAs in Bulgaria are:

- (a) to increase adult participation in learning;
- (b) to reduce skills shortages;
- (c) to establish a sustainable funding mechanism supporting lifelong learning;
- (d) to pilot sector-specific programmes as small-scale pilots, initially targeting specific sectors, with the goal of expanding to other sectors and occupations;
- (e) to establish a governance structure with the participation from ministries, social partners, and sectoral skills councils (SSCs) to oversee the development and implementation of ILAs.

Description

To facilitate the introduction of individual learning accounts (ILAs) in Bulgaria, the Bulgarian Industrial Capital Association (BICA), developed two pilot models for ILAs.

According to the first model employers may create individual accounts for their employees.

These accounts record the qualifications and skills gained through training. It encourages enterprises to invest in their employees by contributing to these accounts.

The second model envisaged sectoral funds or one state fund to finance training that addresses broader labour market needs rather than focusing on specific companies. These funds aim to provide training opportunities for various groups, including unemployed individuals, marginalised communities, and employees in declining sectors. The financing for these sectoral funds is suggested to come from multiple sources, including enterprises, public funds/ESF+, employee contributions, and external donations. The model supports collective skill development for sectors experiencing labour shortages or requiring a specific skillset for future market needs. The second model is relevant to the ILA Labs, and caters for the development of a comprehensive system for the introduction of individual training accounts at national level through the creation of sectoral funds for qualifications.

As part of the ILAs mutual learning programme of the European Commission a roadmap for ILAs in Bulgaria was developed. It was elaborated to provide a structured framework for implementing ILAs in the country, addressing key challenges such as low participation in lifelong learning, skills shortages, and the need for reskilling and upskilling. The roadmap recommends specific actions that include:

- (a) developing a governance structure;
- (b) launching pilot training programmes in key sectors;
- (c) creating a national digital portal for learning accounts;
- (d) establishing a public training registry.

ILAs can play a transformative role by providing accessible, tailored learning options to target groups such as young people, individuals with disabilities, adults, older workers, unemployed persons, and those at risk of exclusion, such as minorities or low-skilled workers. By enabling flexible and continuous access to education and training, ILAs can help address the gaps in employability and skill development that these groups may face, thereby supporting a more inclusive and adaptable workforce.

The successful implementation of ILAs in Bulgaria requires the involvement of a wide range of stakeholders, including government institutions, social partners, education providers, and employers. The key actors include the Ministry of Labour and Social Policy, the Ministry of Education and Science, the seven nationally recognised representative organisations of employers and workers in Bulgaria and VET providers. The roadmap emphasises the importance of collaboration between stakeholders to ensure that the ILA system meets the needs of both individuals and the labour market. Sectoral skills councils (SSCs) are expected to play a supportive role in aligning VET programmes with the demands of specific industries. The SSCs are tasked with reviewing and approving educational content to ensure that it is relevant to the needs of the labour market.

The primary beneficiaries are employed and unemployed adults in need of skilling, reskilling, and upskilling, including NEETs and people from vulnerable backgrounds particularly in sectors facing skills shortages.

The roadmap includes a SWOT analysis with challenges and opportunities. As major challenges in implementing ILAs, the absence of a regulatory framework and the lack of a dedicated funding mechanism are identified. As significant opportunities the past experiences with training voucher schemes are identified., as these provided valuable lessons that can be applied to the ILA initiative. Also, one of the main opportunities for Bulgaria is the potential to leverage European Social Fund Plus (ESF+) funding to support the initial pilot programmes. This funding could be used to create a system that is scalable and sustainable in the long term. Additionally, the creation of SSCs offers the potential to develop sector-specific training funds, which could be used to support the ILA system.

The roadmap outlines activities from 2023 to 2026, with pilot programmes expected to be launched in 2024 and full implementation of the ILA system following the evaluation of these pilots.

The attempt to build a broader national consensus on the need for ILAs, has already been initiated through discussions with the Economic and Social Council (ESC). In this regard, the Economic and Social Council of Bulgaria tasked the social partners with developing an

opinion on the adoption of the European recommendation for the introduction of ILAs, which was unanimously approved in May 2023 by representatives of the state, social partners, and civil society organizations. The ESC exemplifies in its opinion policy areas closely aligned with the Council Recommendation on ILAs. The ESC is supporting a coordinated, inclusive, and adaptable approach to VET and lifelong learning and stresses the importance of effective governance and coordination between VET and other policy areas to ensure a streamlined approach to lifelong learning. It also points out the need to optimise funding, engage stakeholders and develop robust skills intelligence systems. These actions support ILAs by creating a strong foundation for sustainable VET policies that are responsive to labour market demands. Diversifying learning modes (face-to-face, digital, blended) and providing adaptable training formats align with the Council's emphasis on flexible, accessible learning pathways. By modernising VET provision, ILAs can cater to a wider audience and adapt to different learning needs and preferences. Acquiring key competences and reinforcing work-based learning, including apprenticeships, ensures that the skills gained are practical, relevant, and directly applicable in the workplace. Promotion strategies and campaigns are crucial to raising awareness about the importance of lifelong learning, as recommended by the Council. Financial and non-financial incentives, alongside opportunities for re- and upskilling, are essential for encouraging participation across diverse groups. Providing lifelong guidance and ensuring inclusiveness in education and training aligns with the Recommendation's goal of making learning accessible to all, regardless of background or socio-economic status.

2023 Design

In 2023, the foundations for the implementation of the ILAs in Bulgaria were set through meetings and documents drafted by the social partners. This 'material' was discussed with government representatives, but no concrete actions were taken by the government.

2024 Design

With Order No RD-02-18 dated 2 February 2024, the labour minister established an interdepartmental working group (IWG) tasked with developing a draft national approach for the introduction of ILAs in the Republic of Bulgaria by 31 December 2024. Each member of the IWG was required to contribute to the drafting of specific texts in accordance with the functions and competencies of the institution or organisation they represent. The IWG is composed of approximately 30 representatives from various ministries, agencies, and social partners.

During the reporting period, three meetings of the IWG were held. At the first meeting, the IWG approved the already prepared roadmap, and the group began developing a concept for the implementation of ILAs. This concept was based on the second model created by the social partner BICA in 2023 and the approved roadmap. By September 2024, feedback was gathered from the majority of IWG members. This feedback, which is currently being summarised, was discussed during the last meeting of the IWG, resulting in an updated and refined concept for the introduction of ILAs.

2025 Design

In May 2025, the selection criteria for the operation 'Development, testing and implementation of new approaches and financial instruments to promote lifelong learning in Bulgaria' were finalised. The criteria were subsequently approved during the session of the Monitoring Committee of the *Human resources development programme 2021-27* in June 2025. The operation is aimed at promoting lifelong learning as a means of balancing the labour market by developing, testing, and implementing innovative approaches to training in Bulgaria. It introduces and pilots two new mechanisms for the country - Individual learning accounts (ILA) and Sectoral training funds (STF) - designed to improve access to training and upskilling for adults of working age, while strengthening social dialogue and shared responsibility between institutions, employers, and workers.

Bodies responsible

- Ministry of Labour and Social Policy (MLSP)
- National employer organisations
- National employee organisations

Target group

Learners

Young people (15-29 years old)

Young people not in employment, education or training (NEETs)

Learners with migrant background, including refugees

Learners with disabilities

Adult learners

Older workers and employees (55 - 64 years old)

Unemployed and jobseekers

Persons in employment, including those at risk of unemployment

Low-skilled/qualified persons

Learners from other groups at risk of exclusion (minorities, people with fewer opportunities due to geographical location or social-economic disadvantaged position)

Entities providing VET

Companies

Small and medium-sized enterprises (SMEs)

VET providers (all kinds)

Thematic categories

Governance of VET and lifelong learning

Coordinating VET and other policies

Optimising VET funding

Engaging VET stakeholders and strengthening partnerships in VET

Establishing and developing skills intelligence systems

Modernising VET offer and delivery

Diversifying modes of learning: face-to-face, digital and/or blended learning; adaptable/flexible training formats

Acquiring key competences

Reinforcing work-based learning, including apprenticeships

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

Lifelong guidance

Ensuring equal opportunities and inclusiveness in education and training

Subsystem

IVET CVET

Further reading

Economic and Social Council (ESC). (2023). Opinion on the necessary amendments and supplements to the VET Act. Possible approaches for the national application of the Council Recommendation on individual learning accounts (ILAs) and micro-credentials

Related policy developments

2025 Implementation

Employment strategy of the Republic of Bulgaria 2021-30

Investment in education, training and lifelong skills development brings benefits both to individuals and to society as a whole. Education is the engine for job creation, economic growth, improved social conditions and prosperity.

 BULGARIA

Type of development

Strategy/Action
plan

Subsystem

CVET

“ ... ” Cite as

Cedefop, & ReferNet. (2026). Introducing individual learning accounts (ILAs): Bulgaria. In Cedefop, & ReferNet. (2026). *Timeline of VET policies in Europe* (2025 update) [Online tool].

<https://www.cedefop.europa.eu/en/tools/timeline-vet-policies-europe/search/46189>