

National Training Fund (NTF): Legislation to unlock EUR 1.5b surplus for capital, innovation and research to upskill/reskill employed and unemployed

POLICY DEVELOPMENT**REGULATION/LEGISLATION** **IRELAND**

Timeline

2025 Legislative process**ID number 50885**

Background

Ireland's National Training Fund (NTF) was enacted by legislation in 2000. The fund is a levy on employers, currently 1% on reckonable earnings of employees and collected through social insurance. The NTF provides an important source of funding for further education and training (EUR 609 million in 2025). Originally, expenditure from the NTF was ring-fenced for FET provision, but over time NTF funding has expanded to a broader base funding including Higher Education and programmes delivering enterprise and employment supports.

The main purpose of the NTF is to support: the training of those in employment; the training of those seeking employment; lifelong learning.

The NTF also allocates funding for research to provide information on existing and likely future skills requirements of the economy. The NTF is also part funded through the European Social Fund (ESF).

The NTF has built up a significant surplus (EUR 1.77 billion by the end of 2024). The reconvened National Skills Council's first 2025 publication giving strategic advice to government recommended leveraging the NTF to provide a forum for the optimisation of enterprise engagement, for the maximal effectiveness of NTF expenditures.

In order to leverage the NTF, a Regulatory Impact Assessment Report was released in 2025. The recommendation made was to amend the original legislation to enable the NTF to expand its funding remit, including for capital expenditure.

The FET sector is expected to benefit from the NTF legislation, with anticipated uplifts to current and capital expenditure.

Objectives

The 2025 budget announced a six-year plan to spend part of the NTF surplus of EUR 1.485 billion over six years (starting in 2025). Legislation to amend the NTF legislation was laid before the Irish Parliament in October 2025, with a commitment to retain existing services and to ensure spending aligns to the core objectives of the NTF to:

- (a) raise the skills of those in employment;
- (b) provide training to those who wish to acquire skills for the purposes of taking up employment; or
- (c) provide information in relation to existing, or likely future, requirements for skills in the economy.

The main provisions of the legislation *National Training Fund (Amendment) Bill 2025* include:

To allow NTF to allocate capital expenditure e.g. on the acquisition of lands, premises, furniture or equipment or the upgrading, construction or reconstruction of facilities or premises for the purposes of:

- (a) raising the skills of those in employment; or
- (b) providing training to those who wish to acquire skills for the purposes of taking up employment; or
- (c) providing information in relation to existing, or likely future, requirements for skills in the economy.

That research and innovation payments and core funding for higher education may be provided from the National Training Fund for the purposes of schemes to raise the skills of those in employment or to provide training to those who wish to acquire skills for the purposes of taking up employment or to provide information in relation to existing, or likely future, requirements for skills in the economy. Research and innovation payments are defined under the act as follows:

- (a) 'innovation' means the development and use of new ideas, methods, products, processes, policies and services where they have not been used previously;
- (b) 'research' means creative and systematic work in any discipline that is undertaken in order to increase the stock of knowledge (including knowledge of humankind, culture and society) and to devise new applications of available knowledge.

In the October 2025 parliamentary debate on the National Training Fund Amendment Bill, the Minister for Further and Higher Education outlined:

'The NTF surplus package announced in budget 2025 is a six-year plan to reduce this surplus through spending a total of EUR 1 485 billion progressively over the period commencing this year. This significant NTF investment package provides for expenditure on new training and skills provision areas that were not previously funded.'

The Minister included further details:

'Budget 2025 delivered a total NTF funding package of EUR 1.485 billion over a six-year period from 2025 to 2030 for the tertiary sector, including EUR 885 million in current funding, an increase in funding for higher education by a further EUR 150 million per annum up to 2030, and one-off current funding of EUR 235 million for the tertiary sector including skills and apprenticeships. Additionally, a EUR 600 million capital uplift was provided to enable skills development, including facilities, in the areas of healthcare, veterinary skills and further education skills, and to support universal access to skill provision. In the research and innovation sector, there was an increase to the PhD stipend among other things. This funding will provide key education and training facilities and opportunities for employees and those seeking employment. The funding will also assist in meeting the existing and future skills needs for employers. The National Training Fund is a strategic national asset for reskilling and upskilling our existing workforce and the NTF funding package of nearly EUR 1.5 billion will deliver a substantial and impactful investment to deliver the critical skills needed for the 21st century.'

Description

The National Training Fund (Amendment) Bill 2025 was published in October and is at the fifth (final) stage of the lower house of the Irish Parliament.

2025 Legislative process

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Bodies responsible

- Department of Further and Higher Education, Research, Innovation and Science (DFHERIS)
- Further Education and Training Authority (SOLAS)
- Higher Education Authority (HEA)

Target group

Learners

Learners in upper secondary, including apprentices

Young people (15-29 years old)

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

Learners with migrant background, including refugees

Learners at risk of early leaving or/and early leavers

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)

Other stakeholders

Social partners (employer organisations and trade unions)

National, regional and local authorities

Other

Higher Education sector and other agencies under the aegis of the Department of Further and Higher Education, Research, Innovation and Science

Thematic categories

Governance of VET and lifelong learning

Coordinating VET and other policies

Optimising VET funding

Further developing national quality assurance systems

Establishing and developing skills intelligence systems

Modernising VET infrastructure

Modernising infrastructure for vocational training

Improving digital infrastructure of VET provision

Making VET institutions sustainable and green

Modernising VET offer and delivery

Modernising VET standards, curricula, programmes and training courses

Expanding VET programmes to EQF levels 5-8

Reinforcing work-based learning, including apprenticeships

Supporting lifelong learning culture and increasing participation

Promotion strategies and campaigns for VET and lifelong learning

Permeability between IVET and CVET and general and vocational pathways, academic and professional higher education

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

Subsystem

IVET CVET

Further reading

[2023 Overview of the National Training Fund \(NTF\) - Parliamentary Budget Office](#)

[Press release: Minister receives government approval to bring forward Bill to amend the National Training Fund Act, unlocking EUR1.5 billion for education and research](#)

[National Training Fund \(Amendment\) Bill 2025](#)

[Regulatory Impact Assessment National Training Fund \(Amendment\) Bill 2025](#)

[National Training Fund \(Amendment\) Bill 2025: Bill Digest on the principal provisions of the National Training Fund \(Amendment\) Bill 2025 and provides an overview of the origins and purpose of the National Training Fund and of the tertiary education](#)

[Dail Eireann debate - Thursday, 16 Oct 2025: National Training Fund \(Amendment\) Bill 2025: Second Stage](#)

[History of National Training Fund Bill 2025: Fifth \(Final\) Stage in Dail Eireann,](#)

Related policy developments

2025 Design

Public and Stakeholder Consultation on National Further Education and Training Strategy 2025-2029

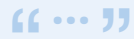
The stakeholder consultation process, which included both workshops and bilateral meetings commenced in Q4, 2024. The public consultation opened on 31st January 2025 and was published by both the Department of Further and Higher Education, Research, Innovation and Science and SOLAS.

Type of development

Strategy/Action
plan

Subsystem

IVET CVET

**Cite as**

Cedefop, & ReferNet. (2026). National Training Fund (NTF): Legislation to unlock EUR 1.5b surplus for capital, innovation and research to upskill/reskill employed and unemployed: Ireland. 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/50885>