

Financing adult learning database

Name of the instrument - Local language	Λογαριασμός για την Απασχόληση και την Επαγγελματική Κατάρτιση (ΛΑΕΚ)
Name of the instrument - English translation	Account for employment and vocational training (LAEK)
Scheme ID	73
Country	 Greece
Reporting year	2015
Type of instrument	Training fund
Type of entry	Single instrument

Short description	Employers are obliged by law to contribute a proportion of the payroll (0.24% since July 2014) to a training fund. The funds are used for subsidising training costs of companies. Companies can receive 100% of their contributions back to cover their incurred training costs. The funds for refunding employer's training costs are collected together with contributions for covering costs of initial vocational education and training and training of the unemployed, yet, as a separate stream of funding.
Short description of the related instruments	nap

Level of operation	National
Name of a part of the country	nap
Name of the region (for regional instruments)	nap
Name of the sector (for sectoral instruments)	nap
Legal basis	Law 2224/1994 introduced the levy employers pay. Law 2434/1996 created the account for employment and vocational training (LAEK).
Objective(s) and target(s)	To finance employee training
Year of implementation	1996

Year of latest amendment	2014
Operation/management	The Greek Manpower Organization (OAED) is responsible for operating and managing the scheme. OAED issues yearly announcements on the details for trainings that can be reimbursed. Employers use the online platform, available at OAED's website, for entering data on expenses. OAED is responsible for making visits to training sites and request additional information from employers.
Eligible group(s)	All employers in Greece that contribute to Social Insurance Institution (IKA), including public companies and local authorities.
Group(s) with preferential treatment	None
Education and training eligible	No specifications on type of programmes. Companies can be subsidised for in-company trainings (internal of external trainers), trainings abroad, trainings in an external provider's facilities.
Source of financing and collection mechanism	Mandatory levy on public and private companies and local authorities, 0.24% of their payroll (new level for the levy from 1 July 2014; before: 0.45%).
Financing formula and allocation mechanisms	<p>The amount of subsidy that employer is entitled to receive for training provided in the year N is as follows:</p> <ul style="list-style-type: none"> - 100% of eligible training costs as long as the employer's contribution to the fund in the year N is higher than or equal to eligible costs; - 70% of employer's contribution to the fund in year N if employer's eligible training costs are higher than the contribution to the fund. <p>Employers that did not provide training in the year N-1 can transfer 70% of their contribution paid in the year N-1 and use it in the year N; similarly, employers that did not use to full extent 70% of their contribution paid in year N-1 can transfer the remaining amount and use it in the year N.</p> <p>The average hourly cost per trainee is calculated as follows: average hourly cost per trainee = total cost of training / (number of trainees x number of realised training hours)</p> <p>For training that is provided by an external trainer or authorised training provider, the average hourly cost per trainee cannot be more than EUR 33.</p> <p>For training that is provided by internal trainer, the average hourly cost per trainee depends on the number of participants:</p> <ul style="list-style-type: none"> - up to 3 participants: EUR 33 - up to 6 participants: EUR 25 - up to 10 participants: EUR 19 - up to 33 participants: EUR 12. <p>For training abroad, the average hourly cost is:</p> <ul style="list-style-type: none"> - up to 7 participants: EUR 110 - up to 14 participants: is EUR 90

	<p>- up to 21 participants: is EUR 80 - up to 33 participants: EUR 70. Remark: the number of participants concerns all participants attending the training and not just the ones to be reimbursed by LAEK.</p> <p>For trainings that take place outside working hours, each trainee receives an hourly supplement of EUR 5/training hour.</p> <p>If the employer trains employees with special needs, a training supplement of EUR 7 per training hour must be provided to the trainees.</p> <p>Employers may opt to reimburse the internal trainer (for training within or outside working hours) with EUR 15 per training hour.</p> <p>Employers are obliged to allow OAED to make visits to the training sites and keep all necessary documentation/proof of expenses for 5 years. If visits/controls by OAED prove false declarations by the employer or the employer cannot prove the expenses incurred, then the training will not be reimbursed and additional sanctions/fines are foreseen.</p> <p>LAEK resources attributable to employers and relating to vocational training are exempt from seizure, are not recognised as income and are exempt from taxation.</p> <p>Allocation of funds: The reimbursement is transferred to the employer's bank account, after employer provides OAED with all necessary documentation.</p>
Eligible costs	<p>fees and other costs related to training</p> <p>hourly compensation of trainees, costs of internal and external trainers, travel and accommodation, meals, training materials, rent of training venue, administration costs</p>
Frequency of the use	Each year
Volumes of funding	na
Beneficiaries/take up	na
Organisation responsible for monitoring/evaluation	Manpower Employment Organization (OAED).
Monitoring/evaluation reports available	na
Most relevant webpage - in English	http://www.oaed.gr/index.php?lang=en
Most relevant webpage - local language	http://www.oaed.gr/index.php?lang=el
Recent changes	Law 4254/2014 (7/4/2014) changes the percentage of employers' contribution as of 1.07.2014. Total

	<p>contribution to LAEK drops from 0.81% to 0.46%, where 0.24% comes from employers in favour of the special account for vocational education and training programmes; employer's contribution 0.12% in favour of the special joint account for unemployment; and employee contribution of 0.10% in favour of the special joint account for unemployment. The preamble to the Law, discussing the provisions of the law in general and not changes in LAEK in particular, stresses the importance of shrinking employers' contributions, to relief employers from financial burdens in times of crisis. Shrinking the contributions can be regarded as a possible motive for increasing employment rates.</p>
Sources	<p>OAED website and LAEK website -http://www.oaed.gr/index.php?lang=el; and http://laek.oaed.gr/</p> <p>Legislation (Law 2224/1994; Law 2434/1996; Law 4254/2014 and its preamble; Government Gazette 3476/23-12-14)</p> <p>Programme of Vocational Training (0.45%) of 2014 - http://laek.oaed.gr/</p> <p>Programme of Vocational Training (0.24%) of 2015 - http://laek.oaed.gr/</p>