

## Financing adult learning database

<b>Name of the instrument - Local language</b>	Onderwijs en Ontwikkeling (O&O)
<b>Name of the instrument - English translation</b>	Training and Development Funds
<b>Scheme ID</b>	272
<b>Country</b>	 Netherlands
<b>Reporting year</b>	2015
<b>Type of instrument</b>	Training fund
<b>Type of entry</b>	Group of instruments

<b>Short description</b>	nap
<b>Short description of the related instruments</b>	<p>Sectoral training funds are a key mechanism for funding of CVET in the Netherlands. They are voluntarily created by sectoral social partners and regulated based on sectoral collective agreements which may cover also many other important issues related to training and development, including opportunities for educational leave, wages of apprentices, validation of prior learning, training and development plans or payback clauses. In 2009, 92 sectoral training funds had the purposes (among others) of supporting training and development (in total 135 sectoral funds existed; in the same year, roughly 200 sectoral collective agreements and 800 collective agreements for major employers existed). Training funds collect a levy on wages from enterprises of the sector (on average 0.43% of the wages (in 2009), with a range from close to 0 to 2.7% in 2005). However, training funds can be also approved by the government for distributing ESF funds for training to its members. Funding formula, eligible groups of employees and groups enjoying preferential treatment vary widely between the training funds.</p>

<b>Level of operation</b>	Sectoral
<b>Name of a part of the country</b>	nap
<b>Name of the region (for regional instruments)</b>	nap

<b>Name of the sector (for sectoral instruments)</b>	Various
<b>Legal basis</b>	Collective agreements
<b>Objective(s) and target(s)</b>	See 'operation'
<b>Operation/management</b>	<p>O&amp;O are created and governed by social partners on a bipartite basis. The size of the organisations vary strongly; Some funds are managed by 1-2 persons, others by over 40. The</p> <p>Ministry of Social Affairs and Employment is responsible for classifying collective agreements as 'extended' (only those including the clause on training). Only the funds deriving from such agreements are 'recognised' and can apply for ESF subsidies. Funds stimulate training and employability policies in companies and react to training requests, mostly from individual companies. The use of collected funds is broadly determined by the collective agreements. O&amp;O support different types of activity: some spend 100% of their available funding on training activities while some others spend only 5%. A Study (summarised in the paper by Van der Meer and Vand der Meijden 2013) on nearly 100 O&amp;O revealed the fund official objectives/goals (as stipulated in the collective agreements and negotiated between social partners in each sector) are: financing training (32), labour issues (16), employability (11), advice, research (9), improve quality craftsmanship (8), development training (4), ESF (2), flow of new employees into sector (2). The funds (the managing bodies and the governing partners) see for themselves the following objectives: financing training (78), wages of apprentices (25), accreditation of prior learning (14), training plans, career scans, employability (6). The same study revealed that the stipulations in the collective agreements are mostly company- or sector-oriented; O&amp;O are mainly focused on their own sector; there is little focus on inter-sector mobility. There are some inter-branch (but inter-sector) initiatives (for example, within the technical domain, several O&amp;O (from metal to construction) work together to improve the flow of young people into technical jobs; there is fund for flex workers and STOOF across sectors). O&amp;O funds mostly collect, allocate, control and monitor financial resources. Some O&amp;O funds hire a bureau to perform administrative duties, while other have levies collected by financial service companies, together with pension contributions</p>
<b>Eligible group(s)</b>	Contributing enterprises; O&O provide support directly to the the employer. However, there are a few funds where individual employees can directly request cofunding for training.
<b>Group(s) with preferential treatment</b>	Some funds put a focus on particular groups of employees among their member organisations' staff as older workers, low-skilled, women, migrants, and unemployed.

<b>Education and training eligible</b>	The type of education eligible for cofunding varies between the various funds.
<b>Source of financing and collection mechanism</b>	Most funds work with a compulsory training levy which is paid by companies. The level of levy is stipulated in the collective agreements across the branches/sectors. The levy ranges from close to zero to 2.57% of the total wage bill (2005). In 2005, the average levy was 0.67, in 2009 the average levy was 0.43%.
<b>Financing formula and allocation mechanisms</b>	<p>Co-funding formula vary between funds and typically cover training costs either up to a max. amount per year or up to a percentage of the training costs (usually between 50-80% of direct cost); joint financing from employers is typically required.</p> <p>Allocation: The O&amp;O board decides on the distribution of the money according to different activities to be covered; this is often laid down in a yearly plan. Method of payment (up-front versus reimbursement on completion of training).</p>
<b>Volumes of funding</b>	Information on volumes of funding is available for the 55 funds recognised by the government and representing sectors with at least 10 000 employees. Funds collected EUR 461 million in 2009 and spent EUR 571 million in the same year, reducing their reserves hold (EUR 540 million). In the same year, they spent 59 per cent of their expenses on training, in total EUR 336 million. A comparison with previous years show that incomes, expenses and money spent on training vary considerable between years. In 2006, funds collected EUR 510 million, spent EUR 490 million, whereof 42 per cent were spent on training (EUR 188 million).
<b>Beneficiaries/take up</b>	<p>Information on beneficiaries is not available. According to a survey among companies, the share of companies (total economy) that see training funds as a source for training subsidies is as follows: 23% (in 2002), 19% (in 2004), 19% (in 2006). However, the perceived importance varies across economic sectors</p> <p>stors ( industry and agriculture: 34%; construction: 64; % trade, catering and repairs: 15%; transport: 4%; care and weare 2%; other services 12%, government 11%, education 31%). It also varies somewhat according to the size of organisations (5-9 employees: 16%; 10-19 employees: 20%, 20-49 employees 23%; 50-99 employees 16%; 100-499 employees 24%, 500 or more 17%).</p>
<b>Organisation responsible for monitoring/evaluation</b>	Ministry of Social Affairs.
<b>Monitoring/evaluation reports available</b>	na
<b>Most relevant webpage - in English</b>	na

<b>Most relevant webpage - local language</b>	na
<b>Sources</b>	<p data-bbox="603 219 1362 344">Van der Meer, Marc, &amp; Van der Meijden, Arjan. (2013). Sectoral training and education funds in the Netherlands - a case of institutional innovation? Paper presented at the ILERA Amsterdam.</p> <p data-bbox="603 367 1326 524">Meijden, A. van der &amp; Meer, M. van der (2013). Sectorfondsen voor opleiding en ontwikkeling: van pepernoten naar spekkook. 4de meting van de Monitor O&amp;O fondsen. 's-Hertogenbosch: Expertisecentrum Beroepsonderwijs</p> <p data-bbox="603 546 1267 647">Cedefop. (2008). Sectoral training funds in Europe. Luxembourg: Office for Official Publications of the European Communities.</p>