

Financing adult learning database

Name of the instrument - Local language	Elfogadott képzés
Name of the instrument - English translation	Accepted labour market training programme
Scheme ID	104
Country	 Hungary
Reporting year	2015
Type of instrument	Grant for individuals
Type of entry	Single instrument
Short description	Job-seekers, young people under the age of 25 (or 30 in case of higher education graduates) who are not entitled to unemployment benefit, persons who receive childcare support or permanent support for caring for sick or disabled people, persons who receive rehabilitation allowance and persons who take part in community employment (public work) scheme are eligible to receive support for their education and training. Public co-funding share is not defined by law but in practice amounts to 60%-70% on average.
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
Relevance	Key scheme
Legal basis	Act IV of 1991 on the promotion of employment and unemployment benefits. Ministerial Decree 6/1996. (VII. 16.) issued by the Minister of Labour on financial support promoting employment and on tackling employment crisis

	situations from the Labour Market Fund
Objective(s) and target(s)	<p>To support training of job-seekers and facilitate employment with the aim "to terminate, manage and dissolve labour tensions and mitigate their negative consequences" (Act IV of 1991);</p> <p>To help jobseekers to return to work, which has both economic (reduce unemployment) and also social purposes (reduce social exclusion).</p>
Year of implementation	1991
Year of latest amendment	1996
Operation/management	Accepted training aims to provide jobseekers with sought-after skills and knowledge to help them return to work. If jobseeker wants to participate in a training programme which is not on the annual list of eligible fields of study defined by the employment centre (suggested training programme), he/she can still receive training support through the National Employment Service. In this case, a further criterion for selection of applicants is the labour market relevance of the training programme. The training can lead to a formal vocational qualification or provide the necessary skills for a specific job. In accordance with the Act on Adult Education only adults studying in licensed adult education institutions can be subsidised from the National Employment Fund.
Eligible group(s)	<ul style="list-style-type: none"> - Job-seekers - Young people under the age of 25 (or 30 in case of higher education graduates) who are not entitled to unemployment benefit - Those who receive childcare support or permanent support for caring for sick or disabled people - Those who receive rehabilitation allowance - Those who take part in community employment (public work) scheme - Others as defined by the Governing Board of the National Employment Fund. <p>Applicant must be one of: a Hungarian citizen, recognised as a (one of three types of) refugee, hold an immigrant or an established status, hold the right to free movement and residence.</p>
Education and training eligible	<p>Training programmes which help finding or keeping a job such as:</p> <ul style="list-style-type: none"> - VET programmes (except for ISCED 5B advanced level VET) and foreign language training as part of these - general training preparing participants for entering VET - career orientation and job-search skills training - training preparing participants already having a vocational qualification for obtaining a state-recognised foreign language certificate - training awarding professional driving licenses and foreign language training - training preparing for entering higher education if it is (co)organised by a Roma local government or association.
Source of financing and collection mechanism	<p>State (National Employment Fund)</p> <p>Matching: individuals</p>

Financing formula and allocation mechanisms	<p>Share of public funding is not regulated; in practice it is on average around 60-70%; about half of beneficiaries are required to pay 50%, with only a few less than 10%. It depends on the individual's personal social circumstances and the available budget of the employment service.</p> <p>The labour councils (advisory boards including the social partners which advise the labour centres) define guidelines at the beginning of each year regarding the average share of support. Minimum and maximum amount individuals may receive is not defined (only the maximum amount of support per training programme defined by type of programme (such as awarding a recognised qualification or not)) and kind of training (theory versus practice).</p> <p>Waiting period after receiving a grant (participating in a training programme) is (minimum) twice as long as the duration of the previous training (except for courses which build on each other (such as one preparing for entry into VET and a VET programme). One individual can, in theory, get more than one grant (participate in more than one training programme) observing the regulation regarding the waiting period.</p> <p>Allocation: Employment Service pays training provider directly, the money is transferred to licenced training institutions, applicants are selected by the labour offices by weighting of various factors: social circumstances, labour market demand for the qualification/skills that could be gained by the training, age, educational attainment.</p>
Eligible costs	<p>Fees and other costs related to education and training (such as costs of materials, travel, accommodation).</p>
Frequency of the use	<p>Specific rules/conditions for reuse</p>
Volumes of funding	<p>na</p>
Beneficiaries/take up	<p>In 2014, 559 individuals were funded by this scheme; in 2013, 3 548; in 2014, 5 128.</p>
Organisation responsible for monitoring/evaluation	<p>Labour centres are responsible for monitoring and evaluating the functioning of the instrument at local level, but it is the Ministry for National Economy that evaluates it at national level and may take corrective actions.</p>
Monitoring/evaluation reports available	<p>Annual analysis of the effectiveness of the active labour market tools by National Employment Service; published in Hungarian. http://nfsz.munka.hu/engine.aspx?page=afsz_stat_fobb_aktiv_eszkozok</p>
Most relevant webpage - in English	<p>http://en.munka.hu/</p>
Most relevant webpage - local language	<p>http://www.munka.hu/</p>
Recent changes	<p>Public funding is decreasing, and labour market training more and more financed from the European Social Fund.</p>

	<p>The amount of support provided for foregone wages was changed in order to provide some support for more people. As a result, presently only special target groups (Roma people and those who are learning to obtain their first vocational qualification or a vocational qualification which is in high demand on the labour market) can get 100% of the minimum wages and all others get only 60%. The objective of the modification was to prevent people using the instrument as a kind of living allowance.</p>
<p>Sources</p>	<p>Year Book 2012/2013. National Employment Service. http://en.munka.hu/engine.aspx?page=labour_market_yearbook</p> <p>The Hungarian Labour Market 2014 http://www.econ.core.hu/english/publications/lmyb.html</p> <p>Webpage of National Employment Service http://en.munka.hu/ and data received directly from the National Office for Vocational Training and Adult Education</p> <p>Government of Hungary (2014): National Reform Programme 2014 of Hungary http://ec.europa.eu/europe2020/pdf/csr2014/nrp2014_hungary_en.pdf</p> <p>DIE-FIBS (2013): Developing the adult learning sector. Lot 2: Financing the adult learning sector. https://www.hm.ee/sites/default/files/financing_the_adult_learning_sect...</p>