



Opening and welcome – Jürgen Siebel, Executive Director, Cedefop

Welcome

- Good morning everyone, and a very warm welcome to this conference, which addresses a crucial issue: how to finance continuous skills development of Europe's workforce in line with the EU's ambition to increase adult learning participation rates. More specifically, the objective of the conference is to gain a better understanding of current arrangements for financing adult learning across the EU, particularly public funding and its potential future role in enhancing adult learning. Cedefop's research in the field will feed into today's debate.
- Thank you all for joining this event and engaging in the debate – including representatives from the Danish Presidency, the European Parliament, the European Commission, national and regional administrations, social partners, education and training providers, practitioners, and the research community.
- Before we start our discussion, let me briefly introduce you to the context of Cedefop's work on financing adult learning.

The broader context

- Skills and lifelong learning are the key drivers of sustainable growth. They improve employability, boost innovation and ensure social fairness in the EU. They are vital for productivity and competitiveness of businesses, and they empower individuals to fully participate in the labour market and society.
- The digital and green transitions are rapidly changing skills requirements. This means that individuals need stronger support to update their skills throughout their working lives. Demographic trends – such as ageing societies – further amplify the need for continuous skill development to address potential skill shortages. Economic sectors must invest in workers to maintain competitiveness, upskill for future demands, and enhance productivity.
- All this calls for increased and concerted efforts to invest in continuous upskilling and reskilling of the European workforce, placing heavy demands on adult learning systems.
- This is reflected, for example, in the 'Herning Declaration on attractive and inclusive vocational education and training for increased competitiveness and

quality jobs 2026-2030', which calls (among others) for national actions to 'ensure sufficient and sustainable investments in (IVET and) CVET (...) with support and better coordination of relevant EU financial mechanisms, and national, regional or sectoral funds for training'.

- The EU has demonstrated long-standing commitment to increasing participation in adult learning. More recently – in March this year – the European Commission adopted the Union of Skills initiative, which aims, among others, to ensure that everyone in Europe, no matter where they are, is empowered to build solid skills foundations and engage in lifelong upskilling and reskilling. The European Pillar of Social Rights Action Plan - adopted in 2021 – set as one of its three headline targets that by 2030, 60% of all adults should participate in training each year.
- Currently, participation is at 39.5%, showing the need for substantial progress.

The role of funding

- Funding plays a crucial role in enhancing the provision and uptake of learning opportunities. Data reveal that countries investing more in adult learning have higher participation rates. Meeting the ambitious 60% participation target will require an appropriate increase in funding devoted to adult learning from various sources.

One challenge is that the costs of adult learning often fall mainly on individuals or their employers. By contrast, the benefits are widespread, and shared among individuals, current and future employers, and society at large. In this context, institutional arrangements to support cost-sharing by social partners and public authorities can help ensure sufficient funding.

- According to the available estimates, employers are currently the primary funders of adult learning, responsible for around two-thirds of total investment. But their contributions vary significantly, especially between large and small enterprises. Increasing employer engagement and addressing the training needs of SMEs and micro enterprises is critical.
- Governments also play an important role in funding adult learning. Public support for formal and non-formal adult learning in the EU is around 0.5% of GDP, representing about one third of total investment. At the same time, many countries face the challenge of limited public resources.
- Public funding for adult learning can take various forms: direct government financing of adult learning providers, or incentives for employers and individuals to invest, provide and participate in adult learning respectively, such as grants or tax incentives.
- Another option is levy-based training funds arrangements, which collect money from employers to support job-related training. Social partners and public authorities are involved in governance and management to varying extents,

depending on whether the funds are national or sectoral, and whether they are established by national law or collective agreements.

- Finally, there are individual learning accounts (ILAs). According to the Council Recommendation on ILAs, public authorities should provide direct support to all working adults, including those with limited access to employer-sponsored training. This includes individuals in atypical forms of work, including self-employment, unemployed, or those outside the labour force; those who work for SMEs or micro enterprises with less training capacity or those who seek training for a professional transition to another job or sector. State support can be complemented by other actors (e.g. employers or sectoral organisations if training meets employer or sector needs).
- To maximise the impact of limited public resources we must strike the right balance between publicly financed provision, financial incentives, and other support for individuals and companies.
- Policymakers should therefore explore and improve various funding options to ensure adequate and sustainable financing for adult learning. Understanding and improving these arrangements can help align adult learning provision with both economic competitiveness and social inclusion goals, ensuring effective and equitable learning opportunities for adults across Europe.
- I trust this conference will provide valuable insights into the functioning of financing instruments across the EU to support adult learning. Our discussions will focus on two important policy tools, individual learning accounts and training funds, based on the findings of Cedefop's research studies, which aim to support policymakers and social partners in designing and implementing these financing arrangements.
- We will also look more broadly at the overall structures of public (co-)financing for adult learning, using recent information provided by our expert network ReferNet and data collected by Cedefop in the previous years and presented in our Financing adult learning database.
- What you will hear from my colleagues today and tomorrow is the result of several years of work by experts at Cedefop, as well as numerous experts across EU Member States, all building on Cedefop's accumulated expertise.
- Some of the findings we present are being discussed publicly for the first time.
- I hope this event will provide you with fresh insights and will be useful particularly for countries and institutions which are currently working towards setting-up ILAs or exploring the potential for establishing training funds or re-thinking the overall architecture of adult learning financing.
- I wish you a stimulating and productive conference, and we look forward to your feedback and reflections.