



Ministerstwo Rodziny,
Pracy i Polityki Społecznej

The National Training Fund (KFS)

in the new Labour Market and Employment Services Act

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Challenges of the Polish Labour Market

- **Demographic pressure**
- **Technological pressure: digitalisation, robotisation, automation and AI, green transformation**
- **Underused labour potential (high proportion of economically inactive population)**
- **Skill gaps (labour shortages, qualification mismatches, competence gaps etc.)**
- **Mass redundancies for technological reasons**

Challenges in Human Capital

Low participation of adults in education and training

In 2024, the participation rate in education during the four weeks preceding the survey reached 10.0% (compared with 13.3% in the EU). The trend has been increasing for several years, but the initial level was very low.

Low competencies of adults

In the PIAAC study (2022–2023), as many as 39% of respondents had serious difficulties understanding texts, 38% achieved the lowest results in mathematics, and 48% obtained the lowest results in problem-solving.

Low qualifications of unemployed

26% of unemployed have lower secondary education or less, and over 32% do not have any vocational qualifications

High rate of long-term unemployed

48,6% of long-term unemployed with many barriers to access the labour market

National Training Fund (KFS)

The National Training Fund (KFS) constitutes a separate part of the Labour Fund designated for financing various forms of continuing education. The budget is set annually and averages around PLN 300 million, which corresponds to approximately 4–6% of the Labour Fund's revenues obtained from mandatory contributions in the year preceding the year before the financial plan is drawn up. For example, in 2024, PLN 294.4 million was allocated for KFS activities. In average each year, more than 20,000 entities and over 100,000 individuals benefit from KFS funds.

National Training Fund (KFS)

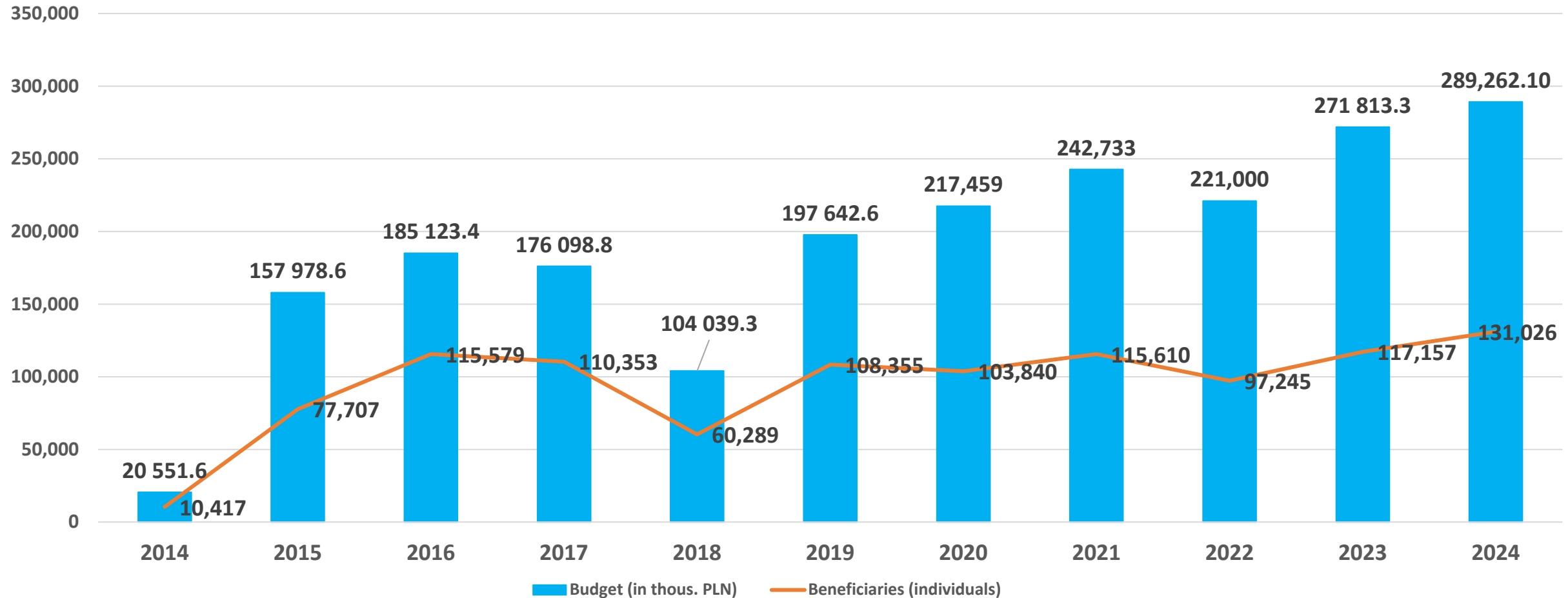
The purpose of support provided from KFS funds is to prevent the loss of employment by workers due to competencies that are inadequate to the requirements of a changing economy. Increasing investment in human potential should improve both the position of companies and employees themselves in a competitive labour market.

The KFS is administered by district labour offices. They announce calls for funding applications, allocate funds, sign relevant contracts with employers, monitor expenditure, and subsequently account for the allocated funds. Expenditures are made in line with priorities set annually by the Minister responsible for labour in consultation with the Labour Market Council, which allows for a swift response to training needs in specific sectors or regions.

Budget allocated for 2025 – PLN 419 591 000. Average number of beneficiaries per year - over 100 000 individuals and over 20 000 entities.

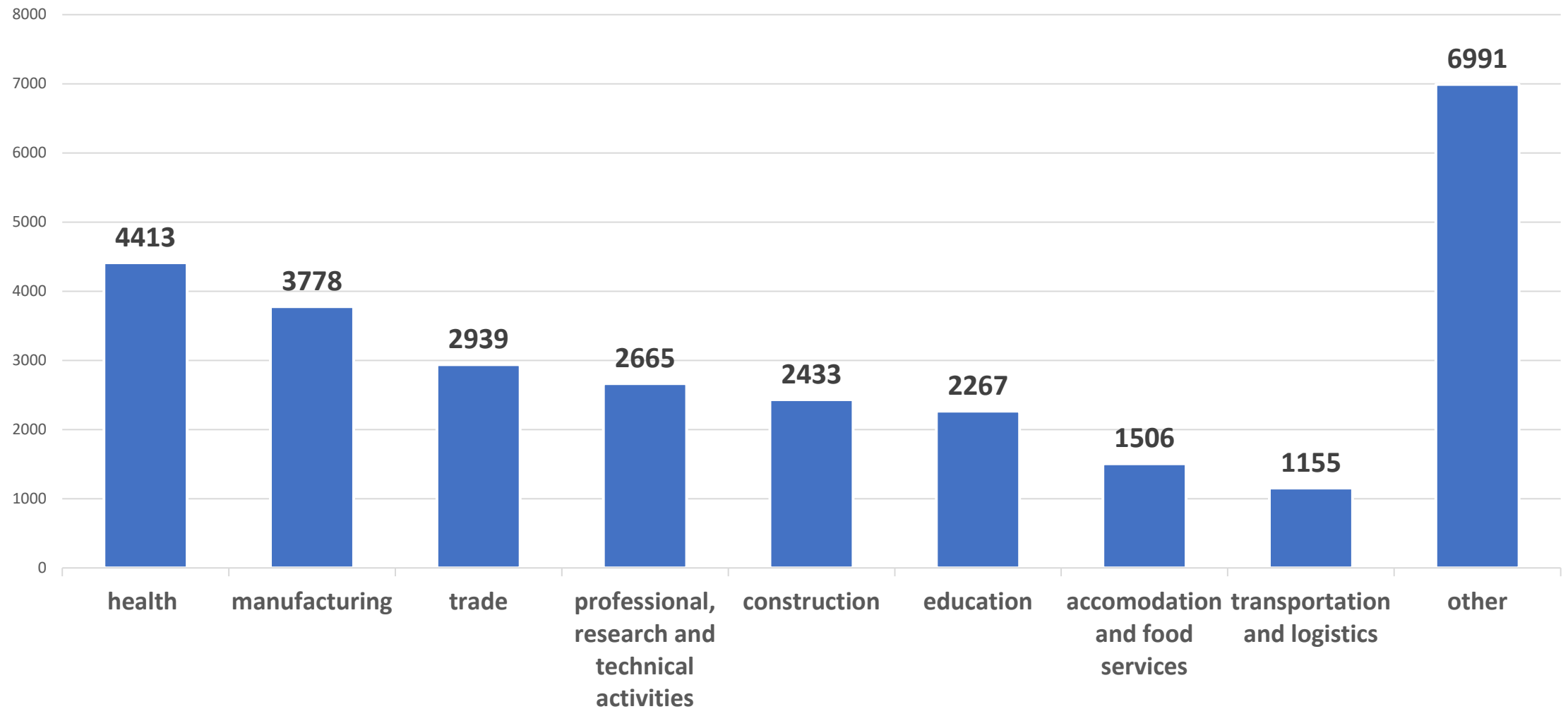
National Training Fund (KFS) in numbers

The budget of the KFS and the numer of beneficiaries (individuals) in years 2014 - 2024



National Training Fund (KFS) in numbers

Beneficiaries (entities) by sector in 2024



New Act on Labour Market and Employment Services

Adopted on 20 March 2025, entered into force on 1 June 2025

- **Aims at modernisation of Polish PES and inter alia:**
 - ✓ **Expands access to lifelong learning and skills development**
 - ✓ **Allows flexible support provision and more autonomy for jobseekers**
 - ✓ **Broadens access to the National Training Fund (KFS)**
 - ✓ **Increases efficiency and automation of employment services**
 - ✓ **Reduces bureaucracy and reporting obligations for employers**

National Training Fund (KFS) in the Act on Labour Market and Employment Services

- Funds from the Labour Fund allocated to lifelong learning for employers and employees
- Budget: remains at 4–6% of Labour Fund revenues from the previous year
- Managed by poviats labour offices;
- Full pool available at start of year 2026

The reformed National Training Fund (KFS) ensures greater financial accessibility:

- Act expands eligibility to self-employed and civil-law contract workers
- Higher employer co-financing and annual funding limits per applicant (by entity size) – cost optimisation and higher private investment
- Reduced per-person annual funding limit

National Training Fund (KFS) in the Act on Labour Market

Funding priorities are now more responsive and decentralised:

- Funding priorities set by minister (max 4), regional (max 3) and country(powiat) governments (1)

The reform addresses also other systemic weaknesses:

- Training providers must be registered in the Development Services Database (BUR) – higher quality of training
- More streamlined application processes
- Standardised procedures and unified electronic application form
- Improved monitoring and evaluation

Challenges and directions

- **Increase financial resources**
- **Broader use of the Development Services Database (BUR)**
- **Expand training offerings matching labour market and employee needs and promote innovation in education and training**
- **Further developing evidence-based policy**



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