



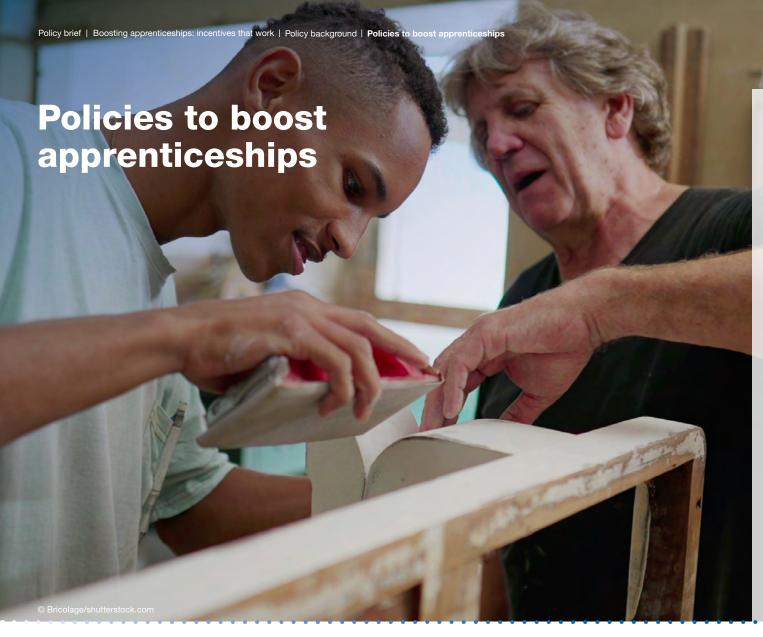
POLICY BACKGROUND

In this section

Policies to boost apprenticeships

Cedefop work





In the past 15 years, apprenticeship and workbased learning have consistently been central to European policies on vocational education and training. There has been both political attention, and funding channelled towards establishing new apprenticeship programmes or modernising existing ones. Although political attention and financial incentives have helped increase participation in many EU countries, there are cases where the positive effects were not equally notable or sustainable. The European Framework for Quality and Effective Apprenticeships (EFQEA) (2018) refers to financial and non-financial support for companies (Criterion 10), taking into account cost-sharing arrangements between employers and public authorities. While the framework does not explicitly refer to financial or non-financial incentives for learners, other quality criteria partly address this area. For example, Criterion 11 highlights the importance of career guidance before and during apprenticeships to help attract learners and ensure they successfully complete their programmes.



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...The **EFQEA** calls for financial and non-financial **support for companies**...



...highlights the importance of career guidance... to help attract learners and ensure they successfully complete their programmes...



In relation to financial incentives and financing instruments for apprenticeships, Cedefop's past work has identified two predominant models. In the first model, financing apprenticeships is a shared responsibility of the State and employers, with frequent collection and disbursement of money to training companies through national or sectoral training funds. In the second model, financial support to training companies or learners mostly comes from and is channelled through State budgets and/ or EU funding. These models need to be understood within the overall context in which apprenticeship programmes exist. With apprenticeships standing at the crossroads of education and labour markets. the differences in the way European countries perceive apprenticeships and their purpose reflect specific national contexts. These include labour market characteristics, education system architecture, social dialogue culture, and stakeholder dynamics and roles in formal governance.

Further reading: Cedefop databases on apprenticeship schemes and on financing apprenticeships

Cedefop's European database on apprenticeship schemes provides detailed structured, and comparable information on the design and organisation of apprenticeship schemes in EU Member States, Iceland, Norway, Switzerland and the United Kingdom. The database includes sections on financial incentives for employers and apprentices, along with overall framework conditions that represent different forms of non-financial incentives. The latest data were collected in 2022-2023, and a new update will be available in 2026.

Cedefop's <u>Database on financing apprenticeships</u> in the <u>EU</u> presents information on how apprenticeship schemes are financed in the <u>EU</u> Member States. It covers both individual financing instruments and their combination in overall financing arrangements of apprenticeship schemes. While the reference period is 2016-2017, in several cases, the features of instruments and arrangements remain largely valid.



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Beyond financial incentives, Cedefop's *Thematic* country reviews on apprenticeships in nine EU Member States (Belgium-French Community, Greece, Croatia, Italy, Cyprus, Lithuania, Malta, Slovenia, Sweden) revealed that companies already participating in apprenticeships often value other benefits and non-financial incentives over grants or subsidies. They prioritise shaping future employees in line with their culture or accessing a better-trained workforce overall. They also value the supportive framework, including procedures, regulations, collaboration with VET schools, and preparing in-company trainers on what and how to train. Apprentices similarly value guidance before and during their apprenticeship, and support from schoolteachers and in-company trainers alongside the financial gains they receive.

However, not all European countries place the same emphasis on non-financial incentives and overall support for participating companies and learners, compared with financial instruments. There is still room for experts and policymakers to share experience and to put in place a comprehensive, effective, and efficient apprenticeship supporting environment for learners and employers.



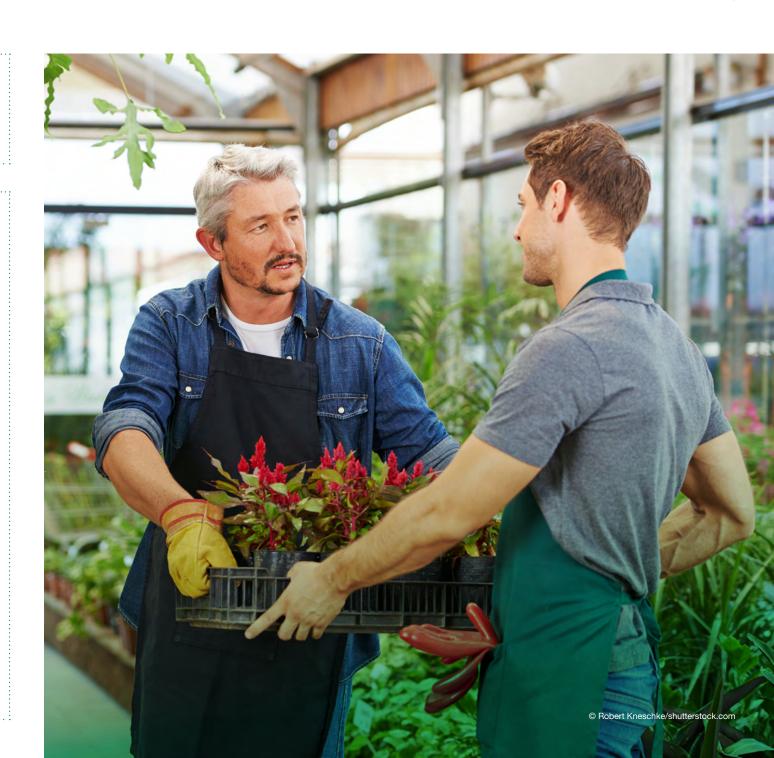
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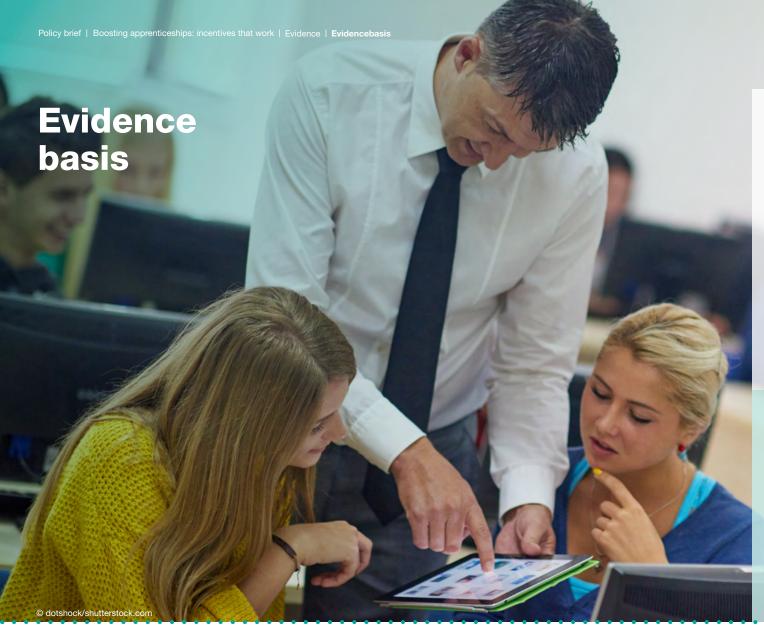
Evidence basis

Incentives for employers

Incentives for learners

Observations and overarching challenges





In 2024 and 2025, members of Cedefop Community of apprenticeship experts produced analyses on the use of financial and non-financial incentives for employers and learners in their countries. Cedefop's 2025 publication Apprenticeships: incentives for employers and learners provides a collection of these analyses and sheds light on selected incentives in several EU countries. The analyses do not provide a comprehensive mapping or account of all instruments in place in each country; instead, they focus on one or more significant incentives in the national context, taking into account current policy debates, gaps and priorities in the countries studied. This policy brief provides a synthesis and further analysis and reflections.

Explained: Cedefop's Community of apprenticeship experts

This policy brief is based on input from the following members of Cedefop's Community of apprenticeship experts: Kurt Schmid (Austria), Petya Evtimova (Bulgaria), Mirela Franović (Croatia), Romain Pigeaud (France), Sandra D'Agostino (Italy), Ilze Buligina (Latvia), Simonas Gaušas (Lithuania), Rob van Wezel (the Netherlands), Margareth Haukås (Norway), Andrzej Stępnikowski (Poland), and Guillem Salvans (Spain).



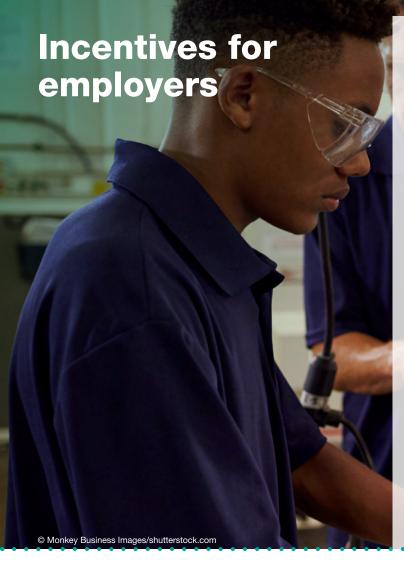
...Cedefop's 2025 publication
Apprenticeships:
incentives for employers
and learners... sheds light on
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...taking into account current policy debates, gaps and priorities in the countries studied...



...based on input from Cedefop's Community of apprenticeship experts...



Financial incentives for employers

Cedefop's study *Financing apprenticeship in the EU* (2020) has shown that financial incentives for employers are the most commonly used instruments. Among these, grants and subsidies are more common than other support types, such as tax deductions.

The examples shared by the Community of apprenticeship experts offer insight into the wide range of options used. Beyond the types mentioned above, financial incentives for employers also vary by coverage (national, regional or sectoral), structure (fixed amounts for the whole duration of the apprenticeship or decreasing as apprentices become more productive), targeted companies (different support levels for small and medium-sized enterprises (SMEs) and large companies) and targeted learners (additional incentives for employers who train, for example, young people not in employment, education or training (NEETs)). There are also cases where financial incentives for companies depend on apprenticeship outcomes, for example successful completion of a programme, and they may extend beyond completion if the apprentice is hired by the training company. The following examples illustrate these options.

In most cases, grants or subsidies cover part of apprentices' wages or contributions to social security. Another type of financial incentive for companies covers training costs, with compensation for in-company trainers' wages a common type of support. Community experts from Bulgaria, Croatia and Lithuania provided examples of such support.



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Explained: financial incentives for employers participating in apprenticeships

In Croatia, companies that provide apprenticeship training can claim tax deductions based on the number of apprentices (income tax base can be reduced by 5% to 15%). Additional incentives include subsidising apprentices' wages, and covering accreditation and examination costs.

In France, employers benefit from a State incentive of EUR 6 000 for hiring apprentices, as well as full or partial exemption from social security contributions, and specific subsidies for employers that recruit apprentices with disabilities.

In the Netherlands, under the practice-based learning subsidy scheme, companies can receive up to EUR 2 700 per apprenticeship.

In Lithuania, support for employers that train apprentices varies with company size: from 50% of the apprentice's monthly salary for large companies to 70% for SMEs.

In Italy, companies that hire an apprentice as part of the Type-2 scheme pay about a third of the standard rate of social contributions they would normally pay for regular employees. The reduction applies for a further 12 months after graduation for companies that hire their former apprentices. Companies with nine or fewer workers receive a further reduction for the first two years of the apprenticeship programme.

In Poland, a financial bonus of approximately EUR 2 000 per apprentice is paid directly to the employer if the apprentice successfully completes the apprenticeship programme and passes the journeyman exam. This bonus can be higher in high-demand occupations.



Non-financial incentives for employers

Non-financial incentives are powerful tools to attract new employers to apprenticeship programmes and support those already engaged in this form of education and training. In addition to regulatory frameworks at the design stage, support may also come at the implementation stage from State authorities, such as public employment services, from VET schools, sectoral associations or from intermediary bodies specifically mandated to ease employer participation.

Some non-financial incentives relate to the overall regulatory conditions for how apprenticeship programmes are organised and offered. The work of the Community of apprenticeship experts shows how countries reconsider key features of apprenticeship schemes, such as the levels at which they are offered, the target population, the range of specialities, curriculum relevance to labour market needs, programme duration, and the proportion of workplace training, to better capture and address the employers' preferences.

Non-financial incentives for employers: relevance and flexibility improvements

In Norway, VET/apprenticeship curricula were renewed based on input from vocational councils, to be more relevant to labour market needs, also allowing specialisation at earlier stages. According to a 2023 evaluation, all sectors considered the renewal to be a success. Student enrolments in VET/apprenticeship programmes increased by 46 % between 2020 and 2025.

In Latvia, following suggestions by several employers or education actors, a political decision was taken to test **new more flexible approaches** for WBL, especially at post-secondary level for adults (including EQF 5 qualifications).

In Lithuania, the 2019 memorandum between the Ministry of Education and employer associations **reprioritised the offer** of apprenticeships to persons already having a VET or higher education qualification and adults (18+ years) over minors, since employers valued the higher motivation of adults, their level of transversal competences and their better understanding of how to operate at a workplace.



Another type of non-financial incentive is running awareness-raising campaigns and providing guidance on how companies can enrol and benefit from participating in apprenticeships. This is particularly important when apprenticeships expand to new occupations traditionally served by other forms of education and training. In such cases, the target audience may have little or no knowledge of apprenticeship opportunities.

In addition, non-financial incentives may include support during the apprenticeship programme, such as help to prepare and deliver training. Examples from the Community of apprenticeship experts include preparing in-company trainers to work with apprentices (young people or adults), introducing intermediary bodies that offer support services to employers, and establishing inter-company and sectoral centres that can help achieve learning outcomes when a small company cannot deliver the full expected training.

Non-financial incentives for employers: support to engage in training

In Austria, the Economic Chamber (WKO) **supports and advises** companies on challenges related to apprenticeship training.

In France, non-financial incentives for employers include the expansion of apprentice training centres, allowing more sectors and employer groups to be accredited as **apprenticeship providers**. The 2018 law on choosing one's professional future also introduced simplified **procedures** for registering and terminating apprenticeship contracts.

In Lithuania, the project 'Qualification improvement – higher VET quality' helped approximately 200 in-company trainers involved in apprenticeships develop pedagogical and andragogical competences.

In Spain, the new VET law envisages a reinforced role for intermediary bodies in disseminating information and recruiting companies for apprenticeship programmes, advising companies on how to enrol in apprenticeships, and conveying sector-specific content to be included in VET programmes. The new regulation also supports the grouping of SMEs to train apprentices on a rotational basis so that there is joint responsibility for reaching the expected learning outcomes.



Financial incentives for learners

The incentives presented by the Community of apprenticeship experts support Cedefop's overall evidence from the European database on apprenticeship schemes and the Financing apprenticeships database: financial incentives for apprentices are relatively infrequent. This may be partly due to the belief held by several national stakeholders that apprentice wages – already a direct and often substantial financial benefit – are sufficient to attract learners without additional incentives.

However, some apprentices receive additional financial support, either to complement wages or to cover costs related to their participation in apprenticeships, such as transportation costs or daily subsistence.

Non-financial incentives for learners

Non-financial incentives can strongly motivate prospective apprentices. They can ease access, support learners throughout the programme, raise completion rates, reduce dropouts, and improve transitions to paid employment.

Some of these incentives ensure access to qualifications and support programme completion, recognising learners' right to quality education through apprenticeships. The work of the Community of apprenticeship experts provides such examples.

Explained: financial incentives for apprentices

In Austria, apprentices or prospective apprentices may be eligible for support for living expenses, transport (long-distance allowance), and preparatory courses for the final examination.

In Bulgaria, special grants were introduced in 2016 for the first three, school-based years of VET programmes (grades 8-10) to attract more students who might later choose the new WBL (apprenticeship) track in grades 11-12. Throughout the programme duration (grades 8-12), students can also receive a special grant for high achievement.

In France, there are several incentives to attract apprentices, including tax exemptions for apprentices' salaries up to the annual level of the minimum wage, financial assistance for driving licenses, and transportation grants.

In Lithuania, apprentices receive additional training allowances from the State (stypendiums). VET institutions may also use the State funding they receive to cover apprentices' transport costs to companies.



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Non-financial incentives for apprentices: access to qualifications

In Norway, the <u>Completion reform</u> addresses all aspects of upper secondary education to ensure that nine out of 10 pupils complete their education and enter the labour market by 2030. One of many measures is to introduce the right to complete upper secondary education and gain a qualification, the right to a second craft certificate, and the right to change education programme.

In Poland, apprenticeship graduates can, in addition to their main apprenticeship qualification, acquire an additional similar qualification through validation and at no additional cost. This qualifications is part of the national qualifications framework.

Non-financial incentives for apprentices: support by schools and specialists

In Austria, apprentices who are experiencing difficulties in their training, at vocational school or in their private lives, they can receive support and guidance from professional coaches free of charge. In Lithuania, since the 2024/2025 school year, the Ministry of Education has introduced quotas for the number of apprentices per VET school director. VET schools may choose to offer programmes as apprenticeships or as school-based VET.

Non-financial incentives for apprentices: **promotion and awareness-raising**

In Lithuania, a national promotion event, 'Apprentice of the Year' has run since 2022. It includes promotional videos and articles in local media to promote apprenticeships among young people.

In Poland, a new media narrative shows that blue-collar occupation graduates (such as plumbers, car mechanics and CNC operators) can enter the labour market faster and earn higher salaries than people with a university degree. There are increasing signs that apprenticeships offer a path to professional development with better opportunities for a stable career and income.

Such non-financial incentives for apprentices often include measures to raise awareness of apprenticeship programmes and improve their prestige, and guidance on available programmes and on how apprenticeships can lead to attractive careers.

Other non-financial incentives to increase learner participation include regulatory requirements to increase enrolment; flexible schedules and arrangements, especially for adults; fast-track options through recognition of prior learning; and better progression opportunities from apprenticeships to higher levels of education and training.

Observations and overarching challenges



Most countries use a combination of instruments ...

Although the Community papers do not present a full account of incentives in each country, the contributions point to the coexistence of different instruments. More often than not, two or three different incentives for companies complement fewer (one or two) instruments to attract apprentices, creating a broader set of provisions to raise participation on both sides. In about half of the countries studied, policy documents pursue a two-fold objective: to attract more learners and more employers into apprenticeships. In the other half, a country may have a clearer priority, for example to attract more employers or more learners.

... but incentives for employers are more frequent than those for learners

The evidence above supports previous Cedefop analysis, which shows that most incentives aim to attract companies to apprenticeships, while incentives for learners are less common. Some experts suggest that renumeration is usually considered a major incentive and is seen as sufficient to attract learners to apprenticeships. Therefore, little

attention is paid to other support, usually linked to transport to and from the workplace.

Grants and subsidies are the dominant instruments for employers ...

For companies, there is a clear predominance of grants and subsidies over other financial incentives, such as tax incentives, and over non-financial support. These incentives may come from different sources, such as the State budget, EU funds, or national or sectoral training funds. Many employers are used to receiving support in this way and argue for its continuation. For employers with no experience in apprenticeships, financial incentives can help overcome initial reservations and a lack of awareness of their longer-term value. Evidence shows that such incentives help raise participation in many EU countries.



...for employers with no **experience** in apprenticeships, **financial incentives can help** overcome initial reservations...



...employers **continue** to participate in apprenticeships because they value the **opportunity to shape future employees**...



...horizontal incentives are more common... but **reaching certain learners of sectors** may require **targeted incentives**...



... but sustainability and suitability challenges emerge

Many Community papers show that these incentives become less critical for employers already participating in apprenticeships. The overall regulatory framework, the support from VET schools, and more sustainable financial incentives, such as tax exemptions, matter more. Studies, evaluations and stakeholder views suggest that employers continue to participate in apprenticeships because they value the opportunity to shape future employees to fit their organisational needs and culture, to build a pool of qualified workers for the future, and to share training and recruitment costs with VET schools.

Moreover, many contributions from Cedefop's Community raise concerns about the over-reliance of several EU apprenticeship schemes on grants and subsidies. These concerns relate to sustainability and continuity, especially when EU funds are used largely in a project-based approach, or where the incentives are covered mainly by the State budget. There are growing calls in national debates – accentuated when public financing or EU funds are reduced – arguing that employers should assume a greater share of the cost, especially in times of skills shortages, or that a shift towards non-financial incentives may be prioritised.

Explained: **limitations in evaluating apprenticeship incentives**

The Community papers show that a systematic evaluation of incentives for apprentices and training companies is not practised across all European countries. First, there are limitations even in monitoring key indicators of the apprenticeship system performance. There is a lack of precise data on company engagement, outreach to intended audiences, labour market transitions and longer-term outcomes. Dedicated evaluations assessing the net impact of apprenticeships on labour market transitions are scarce.

Moving on to the evaluation of financial incentives, there is a significant lack of studies assessing their net impact on enrolments or labour market outcomes. In many countries, it is even more difficult to capture the attractiveness and effectiveness of non-financial incentives, since they often fall outside the scope of evaluations. Measuring the exact impact of incentives is methodologically challenging and yields only indicative results.



Explained: what keeps employers engaged?

In Lithuania, financial incentives rely on separate projects funded by different instruments and managed by different entities with different objectives. As a result, they lack continuity, consistency and a systemic view. A 2022 analysis found that many employers would welcome more sustainable tax incentives. Employers who already run apprenticeships say financial support is a secondary motivator. They see apprenticeships as an investment in their future workforce and stress the importance of non-financial support, such as better cooperation with VET institutions and effective communication about apprenticeships.

In the Netherlands, an evaluation of the subsidy scheme for practice-based learning (2018) concluded that employers highly appreciated the subsidy scheme because it affected the number of apprenticeships they could offer, but it was not their main reason for offering them. The main motivator is generally the opportunity to connect students to their organisation, followed by contributing to student development.

Horizontal incentives are more common than targeted ones...

Horizontal incentives are far more frequent and, in some countries, the only financial incentives. For example, the same grant is available to any company participating in apprenticeships, irrespective of sector, size, region, or the group of learners it trains. Similarly, when learners receive additional support, such as an allowance topping up wages, it is more often a set amount that reaches all apprentices or all VET students. Targeted support for learners from vulnerable groups is less common.

... but apprenticeships do not reach many sectors and individuals

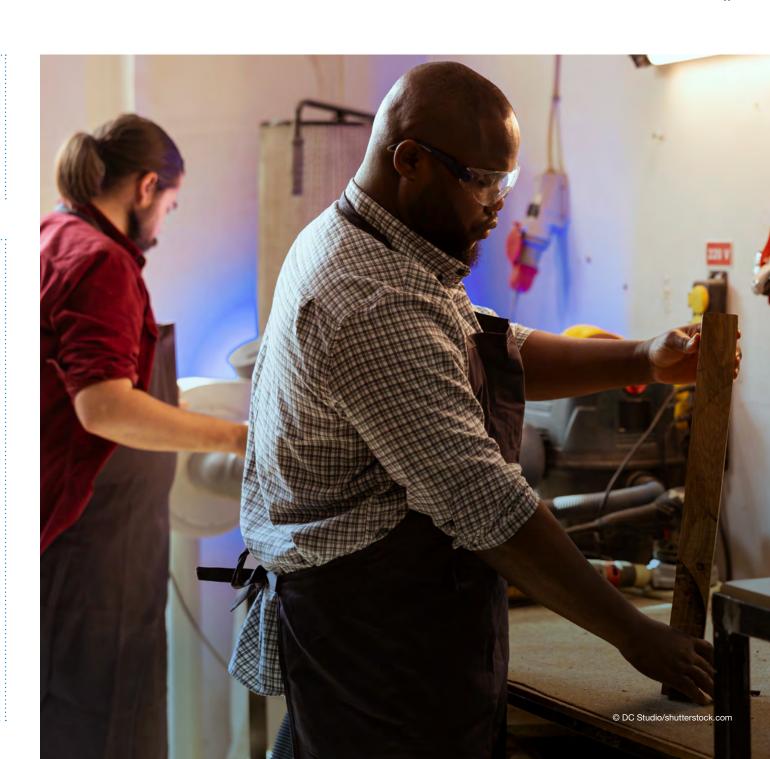
Examples shared by Community experts reveal only a limited number of cases where horizontal incentives are combined with targeted instruments, for example to attract companies from sectors in high demand, to support employers in specific disadvantaged regions, or to encourage companies to take on apprentices from specific demographic groups.

The lack of targeted incentives must be considered alongside long-established misperceptions about apprenticeships among employers, learners and their families in many European countries. As a result, entire sectors remain unaware of apprenticeships, even though they could be a suitable way to train the future workforce. Individuals who may benefit from this education and training tool stay away due to lack of information about the value and the incentives available.



In this section

Suggestions for policymaking





The papers of the Community of apprenticeship experts suggest several options for policymakers to consider when introducing or diversifying incentives for employers and learners.

A stronger role for labour market representatives can improve programme relevance and ownership

Shared governance and involvement of social partners at different stages ensures that labour market needs are considered: from deciding which programmes are offered as apprenticeships, to setting learning and working conditions and content, and introducing flexibility to reflect the operations of different sectors. This has a direct positive impact on programme relevance, which evidence shows is a strong incentive for employers to engage in apprenticeships.

In the context of persistent skills shortages, it pays to set up participatory mechanisms, including sectoral skills councils, to collect labour market intelligence systematically, identify the jobs under greatest pressure, and target apprenticeship schemes accordingly. Many employers acknowledge the ability to shape future employees and improved access to



...devise more **sustainable** and equitable cost-sharing models, together with a more **favourable overall framework**...



....wider use of incentives linked to... progression and outcomes... and... tailored incentives to specific target groups...



...a clear value proposition needs to be developed and communicated to potential learners and employers...



a trained workforce as a substantial benefit. This also benefits learners, by directing them towards promising career pathways with strong job prospects.

Moreover, shared governance can strengthen stakeholder ownership of apprenticeships and promote more sustainable, equitable and fair cost-sharing mechanisms that support employers and learners. Employers and trade unions are more likely to channel resources from national or sectoral training funds towards apprenticeships if they are given a systemic role in apprenticeship governance and frequent opportunities for joint decision-making.

Sustainable funding approaches and greater attention to non-financial incentives

The papers show that, while EU-funded, project-based funding can provide a significant temporary boost, especially in countries with a less-established apprenticeship tradition, other systemic, sustainable funding mechanisms are necessary for long-term stability and growth. While financial incentives are welcomed by employers, many papers also show that, for companies that already participate in apprenticeships, grants and subsidies are not the main factor influencing their decision to continue training apprentices. Participating companies highly value a supportive framework: the efficiency and streamlined nature

of the procedures for hiring an apprentice, the extent of guidance and information provided by the authorities, and flexibility in arrangements between the parties involved.

This strong message, coupled with concerns in many countries about the sustainability of certain EU-funded grants, calls for deeper discussions in EU countries on how to break the over-reliance on grants and devise more sustainable and equitable cost-sharing models, together with a more favourable overall framework, including non-financial support, guidance, and awareness-raising. Additional effort is required to build a network of supportive bodies or institutions that provide information and guidance, match learners with available company placements, and provide certification and training for trainers.

It should be noted that the shift towards new support instruments may need to be gradual, especially in countries with a limited apprenticeship tradition and low employer participation, as the overall benefits of apprenticeships may not yet be widely evident. Withdrawing subsidies too soon may significantly discourage employers. However, with non-financial incentives, public administrations have a much wider set of tools to support employer participation and gradually shift the focus to the support that matters in the long run.



Renewed attention to incentives for learners

In a landscape of blurring boundaries between education and training options, and as the profile of the apprenticeship population evolves, becoming more open to adults and/or people with an EQF4 qualification, the assumption that wages alone suffice to achieve the desired apprentice enrolment figures needs to be reassessed. Many countries find it hard to attract enough apprentices, while in others, labour market or education actors argue that many recruits come from disadvantaged backgrounds and see apprenticeships as the last resort for education and employment.

In this context, additional financial support, either as top-up to the apprentice's wage or allowance where this is relatively low, or to cover participation-related expenses, can help more learners consider apprenticeships as an appealing option. Beyond that, non-financial support matters: provision of career guidance services and specialised tools to match learners with available placements can substantially improve their apprenticeship outcomes and put learners in a better position to pursue fulfilling careers.

Increasing the attractiveness of apprenticeships among prospective learners can create a virtuous circle. The more young people or adults are informed about apprenticeship opportunities and become aware of the incentives and actual benefits available, the bigger the pool of enrolments becomes. It is then more likely to attract apprentices who have made an well-informed choice to

prioritise apprenticeships over other education and training options, and who are better motivated and equipped to learn in both venues. Their increased motivation and readiness are likely to become more evident to participating companies, helping to overcome stereotypes about apprentices' level and making it clearer that this form of education is suited to preparing highly qualified future workers.

Better links between incentives and apprentice progress, productivity and outcomes

A measure that works well to open the door to apprenticeships for a company or a learner might not be equally important to help them complete the programme. Participants come to understand the value of apprenticeships more clearly over time, and apprentices' contribution to training companies typically increases in the later years of the programme.

In this context, evidence from the Community of apprenticeship experts invites policymakers to make wider use of incentives linked to programme progression and outcomes, instead of horizontal incentives that remain unchanged throughout its duration. As apprentices gradually become more productive, there may be scope for a progressive increase in their wages from the first to the last year of the programme, providing additional motivation to complete the programme rather than leaving for alternative job opportunities. Similarly, adult apprentices who may already hold higher-level qualifications and have more advanced personal or



interpersonal competences could receive additional financial support or higher wages than younger learners. Alternatively, there may be room to reduce employer subsidy levels over time: a higher subsidy may be a strong incentive for employers in the first year of an apprenticeship programme, but less essential in the following years when the apprentice is better integrated in the company and contributes more to production or service delivery.

In the same direction, financial or non-financial incentives can be offered to both parties on completion of the programme (for example a bonus for those passing qualification and/or licensing exams to practice the profession,) or if the training company hires the apprentice, (for example, a bonus payment or an extension of any exemptions from tax or social protection contributions).

Potential for targeted initiatives

Different groups of potential learners may prioritise different features of an apprenticeship programme (for example, younger apprentices compared with adults, or learners from challenging socioeconomic backgrounds). The same holds true for employers, across sectors and between smaller and larger companies., There is therefore scope to rethink efficient, manageable ways to offer tailored incentives to specific target groups.

Regarding employers, customisation of incentives may first mean putting in place additional support structures and incentives for companies that face greater challenges in participating, i.e. micro and small companies that lack a training culture or administrative capacity. It may also mean targeting certain sectors to adopt apprenticeships, especially those not traditionally associated with apprenticeships but offering good job prospects in the medium or long run. Apprenticeships have been expanding to new fields, but it may take time for them to become an established way to qualify the workforce in those fields. Therefore, additional campaigns, support mechanisms and financial bonuses could be considered for sectors that are new to apprenticeships.

Regarding learners, in many Member States policymakers should make a greater effort to channel apprenticeship support towards low-skilled young people and people with disabilities, whose access to apprenticeships seems constrained in several of the countries analysed. Some countries already provide examples of effective targeting of vulnerable groups, including learners with educational deficits or from low-income or minority backgrounds.

Although tailored incentives are often deterred by concerns about higher administrative costs (identifying the target group, running eligibility checks, ensuring that benefits reach the intended target group, etc.), the costs of non-inclusion may be higher than the costs of devising and managing tailored incentives.

A systemic approach to devising incentives for apprenticeships

Apprenticeship stakeholders should take a systemic approach when devising incentives for employers and learners. This means favouring coherent and longer-term instruments over shorter-term, project-based ones, which may initially increase enrolments but are often discontinued or prove less effective.

This approach also considers how incentives compare with those for adjacent, often competing VET options and, for adults, with incentives under other active labour market policies (for example, learner vouchers and tax exemptions for employers participating in upskilling or reskilling initiatives that target similar learners and employers).

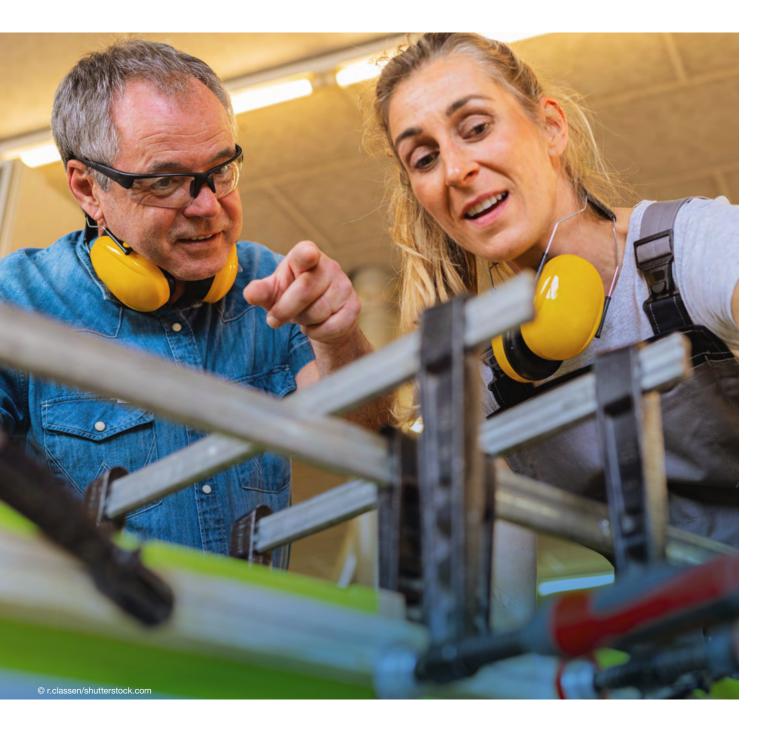


The evidence makes this even more relevant when apprenticeships are offered as an alternative to school-based VET leading to the same qualifications. In such cases, learners, companies, and VET schools and their directors should receive a distinct set of incentives, including non-financial ones, that apply only to the apprenticeship pathway, clearly distinguishing it from school-based alternatives.

Monitoring and evaluation

Evaluation has two objectives. First, the instruments used to attract and support learners and employers need to be evaluated to understand their effectiveness and efficiency, including in relation to instruments offered under other education and training options. More broadly, since the value of apprenticeships is a key motivator for stakeholder engagement and longer-term participation, the outcomes of apprenticeship programmes need to be systematically monitored and evaluated as well.

The Community of apprenticeship experts notes that comprehensive evaluation mechanisms and processes make it possible to capture the full range of benefits for learners and employers, as well as positive spillovers to local communities, sectors and society. This, in turn, allows stakeholders to assess strengths and weaknesses, and identify gaps in motivating learners and employers. It makes the case for clear return on private and public investment and can help attract further funding for apprenticeships, provided they are seen as an effective and efficient way to qualify the future workforce, as many stakeholders argue.



A clear value proposition for apprenticeships

The suggestions above enhance the capability of apprenticeship stakeholders in education, government, and labour market to develop a clear value proposition that goes beyond the financial incentives and focuses on the real benefits for employers and learners. Community papers indicate that clearly communicating these benefits, together with the specific opportunities and processes for engagement, is in itself a strong incentive for both employers and learners.

On this basis, promotion and awareness-raising can achieve more when tailored messages are devised for different target audiences segments, which may be attracted to apprenticeships for different reasons: from addressing emergent skill needs and qualifying the future workforce to tapping into apprentices' ability to innovate and adopt new technologies, and raising employers' profiles in the local community and within the sector.

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POLICY BRIEF

Boosting apprenticeships: incentives that work

Policy insights for employers and learners training

This policy brief, based on contributions by members of Cedefop Community of apprenticeship experts, presents different approaches to providing incentives for learners and employers in apprenticeship across Europe. It discusses the suitability, effectiveness and sustainability of these instruments and offers several pointers for policymakers, aiming to introduce better-targeted, more effective incentives that benefit learners, employers and society. These combine financial and non-financial incentives to provide sustainable, fair and effective support.

Project info: Apprenticeships in work-based learning

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