

Bill to reform co-financing aid

Co-financing has since 1999 enabled companies that are legally established and carry out their business activity in Luxembourg to qualify for aid for their training plan. The national institute for the development of continuing vocational training (known by the French initials INFPC) is in charge of this matter.

The state has hitherto provided financial support for the training effort of companies to the tune of 20% of their training investment. This aid has now been increased to 35% regarding the salary costs of unskilled salaried employees and those older than 45, known as “salaried employees +.”

On 27 June 2017, this bill to reform financing aid was adopted by the Chamber of Deputies.

The main measures are:

- Lowering of the co-financing rate: 15% instead of 20%
- Maintaining the co-financing rate for the salary costs of “salaried employees +” at 35%
- Capping of the investment according to the total payroll
- Greater distinction in the procedure depending on whether the annual investment in training is higher or lower than €75,000
- Deletion:
 - o Contribution costs for training organisations
 - o Costs for renting offices
 - o Costs for educational material
 - o Costs for the preparation of the training plan
 - o Administrative and monitoring costs
- Only unskilled salaried employees may benefit from the adaptation of the workstation
- Reduction of the duration of training for adaptation to the workstation to 80 hours (instead of 173 hours)
- Introduction of a €500 limit per co-financing request
- End of eligibility of required training provided by the legislator.

These changes should enter into force for financial year 2018, i.e. for the co-financing requests that will be entered in 2019 for the training expenses incurred in 2018.

Securex can assist you with the formalities at the INFPC to obtain co-financing.

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