

## Financing adult learning database

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| <b>Name of the instrument - Local language</b>      | Aufstiegs-BAföG                                                                           |
| <b>Name of the instrument - English translation</b> | Upgrading Training Assistance                                                             |
| <b>Scheme ID</b>                                    | 53                                                                                        |
| <b>Country</b>                                      |  Germany |
| <b>Reporting year</b>                               | 2020                                                                                      |
| <b>Type of instrument</b>                           | Grant for individuals                                                                     |
| <b>Sub-type of instrument</b>                       | Cost-related support                                                                      |
| <b>Type of entry</b>                                | Single instrument                                                                         |

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| <b>Short description</b> | <p>Funding under the Upgrading Training Assistance Act - or AFBG in short - represents a statutory payment to support people undergoing training. Funding under the AFBG can be claimed by anyone who satisfies the statutory requirements. The AFBG addresses people taking part in measures leading to advanced vocational qualifications. Typical upgrading training measures are measures that lead to Meister and Fachwirt qualifications as well as courses at colleges of early childhood education or specialized technical colleges. In Germany, over 700 equivalent further training measures are eligible for funding under the AFBG. Participants receive a contribution towards the cost of training irrespective of their income and assets. Participants in full-time measures also receive an additional means-tested payment to cover living expenses. Funding is partly in the form of a grant and partly in the form of a low-interest loan from the KfW Development Bank.</p> |
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| <b>Level of operation</b>                            | National       |
| <b>Name of a part of the country</b>                 | Not applicable |
| <b>Name of the region (for regional instruments)</b> | Not applicable |
| <b>Name of the sector (for sectoral instruments)</b> | Not applicable |

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| <b>Relevance</b>                                    | Key instrument                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Legal basis</b>                                  | Upgrading Training Assistance Act (AFBG)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Objective(s) and target(s)</b>                   | The aim of individual support according to this law is to financially support participants in measures for professional advancement through contributions towards the costs of the measure and their livelihood. Subsistence benefits are granted if the necessary funds are not otherwise available.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Year of implementation</b>                       | 1996                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Year of latest amendment</b>                     | 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Operation/management</b>                         | The scheme is operated and managed by the Federal Ministry of Education and Research. The support is a combination of grant and loan. The loan is provided by Kreditanstalt für Wiederaufbau (KfW), a non-profit banking institution owned by the German State; federal government subsidizes the loan (financing interest rate during the programme/course and grace period)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Eligible group(s)</b>                            | The AFBG provides funding for people taking part in measures that are eligible for funding and which prepare for further training qualifications as master craftspersons, industrial supervisors, early childhood teachers, technicians, commercial specialists, certified business economists or one of over 700 comparable qualifications. There is no age limit for funding under the AFBG. Participants with a bachelor's degree or a comparable university degree are also entitled to funding provided that this is the highest higher education degree they have attained. In addition to German citizens, non-Germans are also eligible for funding under the AFBG if they have assured prospects of remaining in Germany. Certain residence permits entitle the individual to begin upgrading training funded under the AFBG immediately; others call for a certain minimum period of residence in Germany. Participants in training measures who have already received funding under the AFBG in the past are generally not eligible for renewed funding. |
| <b>Group(s) with preferential treatment</b>         | No preferential treatment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Education and training eligible</b>              | Measures leading to Meister and Fachwirt qualifications as well as courses at colleges of early childhood education or specialized technical colleges. In Germany, over 700 equivalent further training measures are eligible for funding under the AFBG.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Source of financing and collection mechanism</b> | Grant component: Federal budget<br>Loan component: Federal budget/national development bank (KfW) (current financing - providing loans), individual (repayment from future income)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Financing formula and allocation mechanisms</b>  | The support is a combination of grant and loan. The loan is provided by Kreditanstalt für Wiederaufbau (KfW), a non-profit banking institution owned by the German State;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

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|                                                           | Federal government subsidises the loan (financing interest rate during the programme/course and grace period).The maximum amount of funding is EUR 892 lump-sum grant / EUR 15 000 course fees.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Eligible costs</b>                                     | Specific arrangement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Volumes of funding</b>                                 | Approx. EUR 400 000 000 / year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Beneficiaries/take up</b>                              | About 97 000 / year, of which about 30% are women.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Organisation responsible for monitoring/evaluation</b> | federal statistical office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Most relevant webpage - in English</b>                 | <a href="https://www.aufstiegs-bafoeg.de/de/english-1881.html">https://www.aufstiegs-bafoeg.de/de/english-1881.html</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Most relevant webpage - local language</b>             | <a href="https://www.aufstiegs-bafoeg.de/index.html">https://www.aufstiegs-bafoeg.de/index.html</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Recent changes</b>                                     | <p>Since August 1, 2020, there has been an entitlement to funding for each of the advanced training levels anchored in the Vocational Training Act (BBiG) and the Crafts Code (HwO) as well as for advanced training qualifications that are equivalent. This means that up to three advanced training courses can be funded with the AFBG.Recent change</p> <p>Recent changes in response to COVID-19</p> <p>Funded recipients should not experience any disadvantages during ongoing funding. Therefore, if an ongoing training measure is interrupted due to the closure of schools and other educational institutions due to pandemics, those receiving funding will continue to receive funding according to the Aufstiegsfortbildungsförderungsgesetz (AFBG), or Aufstiegs-BAföG for short.</p> |
| <b>Sources</b>                                            | <a href="https://www.aufstiegs-bafoeg.de/index.html">https://www.aufstiegs-bafoeg.de/index.html</a><br><a href="https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Bildung-Forschung...">https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Bildung-Forschung...</a><br><a href="https://www.bmbf.de/de/weiterkommen-mit-dem-aufstiegs-bafoeg-879.html">https://www.bmbf.de/de/weiterkommen-mit-dem-aufstiegs-bafoeg-879.html</a><br><a href="https://www.kfw.de/inlandsfoerderung/Privatpersonen/Studieren-Qualifizieren...">https://www.kfw.de/inlandsfoerderung/Privatpersonen/Studieren-Qualifizieren...</a>                                                                                                                                                                                |