

Financing adult learning database

Name of the instrument - Local language	Scholingsbeding
Name of the instrument - English translation	Payback clause
Scheme ID	168
Country	 Netherlands
Reporting year	2020
Type of instrument	Payback clause
Sub-type of instrument	Payback clauses are possible within set limits
Type of entry	Single instrument

Short description	Employer and employee can agree on a payback clause. Arrangements for training (including payback clauses) are made in the context of collective agreements in industry sectors and are valid for a specified time (arrangements may vary from one sector to the other). Examples for regulations on payback clauses in collective agreements show that it is expected that the share of costs to be reimbursed should decline over time (e.g. 100% within the first year, 50% within the second year) and that the binding period needs to be limited (e.g. 2 years).
--------------------------	--

Level of operation	National
Name of a part of the country	Not applicable
Name of the region (for regional instruments)	Not applicable
Name of the sector (for sectoral instruments)	Not applicable
Relevance	Further instrument
Legal basis	Regulated through collective agreements
Objective(s) and target(s)	A payback clause is drawn up in the case of a company being left by an employee while he/she has recently received training and incurs costs that have been paid by

	the employer. These costs are paid back in proportion to the years. A payback clause is part of the so-called non-competition clause and contains a prohibition for the employee to perform similar activities either in another company or as an entrepreneur after the end of his contract.
Year of implementation	1978
Operation/management	The payback clause must be contained in an agreement between the employer and the employee and must fulfil three conditions: i) It must specify the time-period in which training is useful for the employer and during which study costs will have to be paid back by the employee if the work relationship is terminated; ii) The employee must pay back his or her salary if the work relationship is terminated during or immediately after the training; iii) The amount to be paid back must decrease linearly during the time-period specified in 1. The maximum time allowed, in which employees are obliged to pay back training costs is usually 100% within the first year and 50% within the second year of leaving the employment contract.
Eligible group(s)	All employers
Group(s) with preferential treatment	No preferential treatment
Education and training eligible	All types of learning contents can be covered, including training for current work tasks, for future work tasks, and for maintaining and enhancing employability
Source of financing and collection mechanism	Employer funds training, employee provides (partial) repayment eligible training costs in case of premature departure of the company
Financing formula and allocation mechanisms	Depends on the collective agreement.
Eligible costs	Depends on the collective agreement, but generally speaking, tuition fees /fees for participants (external providers) and costs for training materials
Volumes of funding	Not applicable
Beneficiaries/take up	A considerable proportion of employees report the use of payback clauses by their employers, but no specific data is available.
Organisation responsible for monitoring/evaluation	Not applicable
Most relevant webpage - in English	Not available
Recent changes	No recent amendment Recent changes in response to COVID-19 No changes
Sources	https://www.rechtspraak.nl/Onderwerpen/Concurrentiebed

	ing
	https://www.overeenkomst.nl/overeenkomst/model-opleidings-scholingsbedi...
	https://www.rijksoverheid.nl/documenten/kamerstukken/2020/11/13/kamerbr...