

# ILO and DC dVET Workshop

4<sup>th</sup> BarCamp on “Building Resilient Funding Models for Dual VET in Informal Economies toward Quality and Transitions”

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## Costing and Financing Recognition of Prior Learning (RPL)

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*(The opinions expressed in this power point presentation are those of the presenting author alone)*

# Agenda

- Background
- Cost of RPL
- Financing of RPL
- Key Issues for Discussion in relation to costing and financing RPL

( ☹ Not a presentation about RPL in general ☹ )

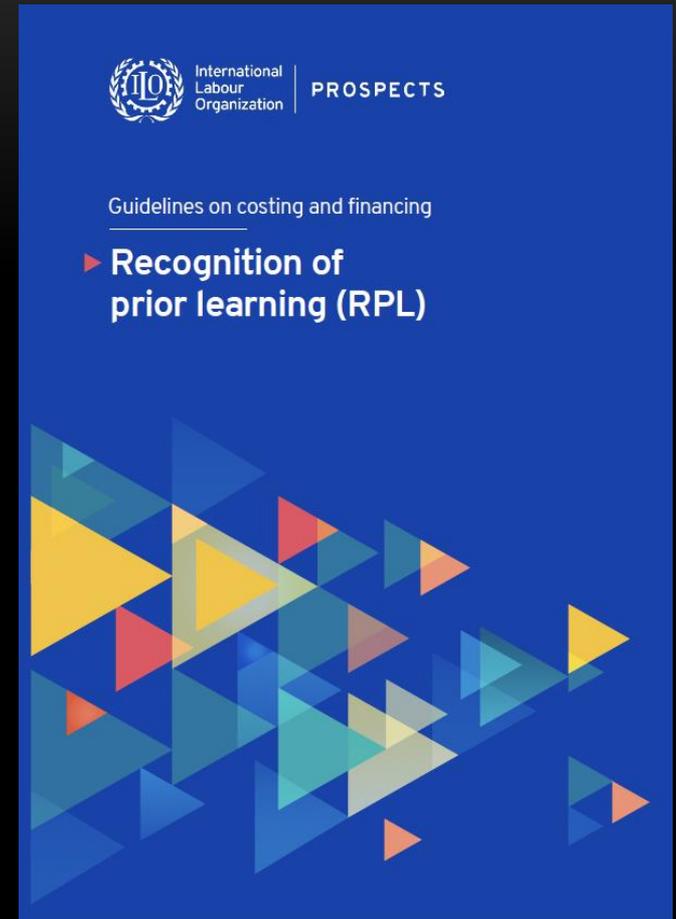
# Background

- An old question, often asked, never really solved
- In fact, TWO questions:
  - How much does RPL cost?
  - Who pays for it?
- This lack of transparency on costing and financing has been a definite obstacle to the harmonious and systematic development of RPL

# Background

- Hence the International Labour Organization's work : H. Ebelin, S. Foka Terles and P. Werquin (ILO, 2025)
- With friendly comments from C. Hofmann, J. Varlin and E. Villalba-Garcia
- A menu, not a blueprint

[https://www.ilo.org/sites/default/files/2025-08/Recognition%20of%20Prior%20Learning\\_Guidelines%20on%20costing%20and%20financing.pdf](https://www.ilo.org/sites/default/files/2025-08/Recognition%20of%20Prior%20Learning_Guidelines%20on%20costing%20and%20financing.pdf)



# Background

- Original mistake (“RPL is free”)
- It is not free, it is not even necessarily cheap, but clearly way cheaper than alternative routes to qualifications or similar\* (formal education and training)  
(\* e.g., credits toward a qualification, micro-credentials, exemptions, part qualifications)
- We are still building the knowledge base, and that’s why we are here today

# Issues for Discussion

- What is the role of a RPL system to upgrade skills development for learners and workers in the informal economy?
- What are the typical costs of an RPL system? Which RPL cost components (e.g., outreach, assessment, verification, certification) tend to be the most expensive, and which strategies have proven effective in keeping these costs affordable for countries with large informal sectors?
- What financing instruments enable learners in the informal economy to pursue RPL?
- What forms of financial incentives (e.g., performance-based payments, subsidies) are effective in motivating training institutions and assessors to engage in RPL delivery for informal-economy learners?
- What has not worked so well in financing RPL systems?

# Food for Thought

# Key Terms: Informality

- The typical target group of an RPL policy is: people with learning outcomes (i.e., Knowledge, Skills, Competences and Attitudes) without the corresponding document (a qualification typically)
- In short all kinds of learning contexts, whether formal or not (formal, non formal and informal)
- However: “informal learning” is different from “informal economy”
- They overlap a great deal, but they are different

# Finance Matters

- Long-term financing is repeatedly a point of failure: pilots happen, but scale-up stalls when governments do not sustain political and financial commitment
- Government involvement is central to move beyond donor/NGO-supported pilots into durable national systems
- Reaching disadvantaged and remote groups costs money (communication, outreach, accessibility, adapted delivery), and underinvestment here creates downstream inefficiencies

# Costing: 3 Families

- Direct costs of running the RPL process (awareness, counselling/facilitation, assessment/certification + gaps training & appeals where relevant).
- Support/system costs to set up and maintain the system (e.g., capacity building, infrastructure, QA, governance arrangements)
- Opportunity costs borne by individuals (e.g., time, foregone earnings, family constraints) and the broader “cost of not investing” nationally

# Financing

- Financing arrangements revolve around a limited set of options, but no universal solution exists; choices are context-dependent and political (who pays, who benefits, which groups are prioritised)

# Financing: Allocation Mechanisms

- Supply-side funding (fund providers/institutions) supports consistency and quality but can reduce choice and responsiveness to learner needs.
- Demand-side funding (fund individuals and/or enterprises) can increase choice and competition but needs strong governance to avoid inequity and distortions

# Financing: Allocation Mechanisms (cont'd)

- Hybrid approaches are often recommended in practice (core funding for quality + targeted funding for access). (e.g., France: ILA/CPF + institutional funding streams)
- Funding sources are typically mixed: public budgets, enterprise contributions, individual payments, donor support. The mix shapes participation; individual payment can deter uptake and is treated as a real risk for equity + but individual payment generates motivation (it could be symbolic or through a grant system)

# The Secret of Happiness

- Rely on what already exists, save money wherever possible:
  - Piggy-back on existing facilities (e.g., training centres for technical platform) – Do NOT invest in infrastructure (win-win)
  - Formal education and training system for “qualification standards”, or any “assessment material” (and provide feedback)
  - Partnership with professionals (we assess, they hire: win-win again)

# Issues for Discussion (Reminder)

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