

# Audit of innovation and project subsidies for vocational and professional education and training

## State Secretariat for Education, Research and Innovation

### Key facts

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For years, the financial resources earmarked by Parliament for innovation and project subsidies for vocational and professional education and training have never been fully utilised. The Financing and Project Support division at the State Secretariat for Education, Research and Innovation (SERI) is unable to allocate all of the available funds to specific projects. Despite this, funding has increased in recent years, going from CHF 40 million in 2017 to just under CHF 63 million in 2022.

The Swiss Federal Audit Office (SFAO) audited the awarding of these subsidies to assess whether they are justified and appropriate in terms of their current amount and form.

The overall picture was positive. While there is a certain need for them in principle, the awarding of subsidies could be better tailored to these needs within the framework of the current legal requirements. The SFAO also made recommendations on compliance with the provisions of the Subsidies Act and on simplification of the application and award process.

#### **The current credit facility exceeds the financial needs**

The need for subsidies is lower than stipulated credit facility. Even if SERI were to better explore the available room for manoeuvre in order to translate the legal requirements into a funding concept and more closely tailor it to the needs, it can be assumed that it will continue to underutilise the credit facility in the future. In 2021, 55% of the credit facility was actually used, meaning around CHF 28 million remained untouched. The subsidy conditions are already comparatively attractive and should not be relaxed further. Currently, a maximum of 60% and, in some cases, up to 80% of costs can be covered.

The subsidy award process could be simplified and better tailored to the subsidy recipients in their capacity as SERI "clients". SERI should also support the process more intensively in terms of communication.

#### **The provisions of the Subsidies Act are not implemented consistently enough**

The subsidies are awarded sparingly and the requirements and support criteria specified by SERI are comprehensible overall. However, SERI does not fully comply with the provisions of the Subsidies Act. For example, SERI generally covers 60% of the costs of projects and programmes without taking account of the economic capacity of the subsidy recipients or any deadweight effects.

SERI does not require applicants to obtain multiple quotes for significant cost items and does not conduct sufficient detailed reviews of completed projects. Its control activities should be expanded.

There are numerous unjustified data gaps in SERI's project database and certain key information (e.g. effective total project costs after project completion) is not recorded, even though SERI has it as its disposal. SERI should define the data relevant for steering and monitoring purposes and ensure that it is recorded uniformly in the project database and regularly evaluated (monitoring and reporting).

Coordination and collaboration between the Confederation and the cantons does not pose any particular difficulties.

**Original text in German**