

The information contained in this summary is based on the documents COM(2022) 469 final and SWD(2022) 292 final, which are the authentic documents representing the Commission's assessment of the plan.

## Summary of the Commission's assessment of the Dutch recovery and resilience plan

Grants: EUR 4 707 063 471; no loan

49 measures: 21 reforms and 28 investments divided into 6 components

Number of milestones and targets: 127

Climate target: 47.8 %

Digital target: 25.6 %

### 1. Summary of the Commission's assessment of the recovery and resilience plan

Criterion	Commission assessment	Rating A-C
2.1	<p>The plan follows a holistic approach to achieve recovery and increase potential growth, while enhancing socio-economic and institutional resilience. The plan contains mutually reinforcing and coherent reforms and investments that refer to policy areas of European relevance, structured around the six pillars.</p> <p>The plan has a strong focus on the <b>green transition</b> pillar with energy and climate related measures. The measures included in the plan will increase investments in the climate transition of industry as well as energy efficiency in housing, contribute to the development of renewable energy sources, encourage sustainable transport modes, restore biodiversity in natural habitats and support the shift toward sustainable agriculture. Several measures in the plan also contribute to the REPowerEU objectives to rapidly reduce dependence on Russian fossil fuels and fast forward the green transition. These include for example investments in offshore wind and energy efficiency in housing.</p> <p>The plan also contributes to the <b>digital transition</b> and includes measures that focus on accelerating the digital transformation, by promoting innovative technologies and digital skills, by developing smart mobility solutions and by modernising IT in public administration. In addition, measures on digital education and e-health are expected to make notable contributions to facilitating the digital transition. The plan also supports the digital transformation in mobility, thereby promoting sustainable mobility covering various means of transport.</p> <p>Several components in the plan have the potential to foster <b>smart, sustainable and inclusive growth</b>. The support to the development and application of new technologies in the green domain should help the Dutch economy to grow in a smart and sustainable way. A comprehensive package of reforms that tackle tax avoidance aim at address money laundering related challenges, which will contribute to creating a sustainable economy that works for all with a fair tax system. Additional measures are expected to contribute to economic cohesion, inclusive growth, productivity and competitiveness via skill acquisition.</p>	A

	<p>The plan envisages strengthening <b>social and territorial</b> through structural education and training measures, the reform of the pension system and investments targeting railways and smart mobility, which are expected to improve connectivity between regions. Additionally, investments in the housing market are designed to make the housing market fairer.</p> <p>The proposed investments are expected to strengthen the overall <b>resilience</b> of the health system, by deploying e-health tools and improving pandemic preparedness. Finally, measures in the plan aim to help the <b>next generations</b> mainly by addressing challenges in terms of quality and equity in the educational system. Dedicated support to prevent learning losses due to the COVID-19 pandemic, the digitalisation of education and training and learning activities to help match students' skills with demand from the labour market are the main measures to address these challenges.</p>	
2.2	<p><b>The Dutch RRP is expected to address a significant subset of the challenges identified in the relevant 2019, 2020 and 2022 country-specific recommendations.</b> The plan includes an extensive set of mutually reinforcing reforms and investments aimed at fostering the green, digital and energy transitions, supporting sustainable agriculture, transport and research and innovation. These measures are expected to boost the growth potential of the economy in a sustainable manner. The plan includes measures to improve the resilience of healthcare, tackle aggressive tax planning, to reform the pension system and increasing the social protection coverage for self-employed. As such and taking into account the size of the financial contribution, the plan satisfactorily addresses most of the 2019, 2020 and 2022 country-specific recommendations (CSRs). However, the plan introduces measures that are expected to partially address challenges in the areas of the labour market, labour shortages, up and reskilling and the housing market.</p>	A
2.3	<p>The aims of the plan are in line with the flagship areas identified by the 2021 annual sustainable growth survey for their potential to <b>create jobs and growth</b> and help reap the benefits from the green and digital transitions. Model simulations conducted by the Commission services using the QUEST model show that the plan, together with the rest of the measures of the European Union Recovery Instrument, could lead to an increase of GDP of between 0.4% and 0.6% by 2026 and this impact would decrease gradually afterwards. After 20 years, GDP could be 0.1% higher. Spillovers account for a large part of such impact.</p>	A
2.4	<p>The Netherlands has conducted an <i>ex-ante</i> assessment for each measure indicating that the principle of “<b>do no significant harm</b>” is followed. For some measures, the “do not significant harm” has been reflected in the milestones and targets specified in the Annex to the Commission Proposal for a Council Implementing Decision. Based on the evidence and assurances provided by the Dutch authorities, no measure included in the plan is expected to do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 (Taxonomy Regulation).</p>	A

2.5	<p>The measures in the plan have the potential to accelerate the <b>green transition and protect the environment</b>. The first component of the plan aims at <b>promoting the green transition</b> and reducing GHG and nitrogen emissions. One of the main reforms included in the component, the Energy Law, is of particular relevance for the Netherlands to be able to move to a greener economy. This reform is accompanied by fiscal reforms in the fields of energy taxation, car taxation, industrial CO2 emission taxation and air travel taxation, all intended to stimulate the greening of the economy. The investments ‘Offshore wind’ and ‘Green power of hydrogen’ aim to support the production of more sustainable energy and increase the share of energy consumed from renewable energy sources in the Netherlands. The plan also includes investments to move towards more sustainable transport, by supporting the transition towards cleaner technology in both air and water transport. The component contributes to reducing nitrogen emissions, by investing in nature restoration and supporting the rehabilitation of pig farms.</p> <p>Together, the measures supporting the climate change objectives account for 47.8 % of the Dutch plan’s total allocation.</p>	A
2.6	<p>As regards the <b>digital transition</b>, the measures contributing to digital objectives account for 25.6 % of the financial allocation. The second component focuses on <b>accelerating the digital transformation</b>. This component focusses on innovation and improving scientific research and includes a package of investments promoting advanced technologies, such as quantum technology and artificial intelligence. Additional measures also address the Dutch challenges related to transport bottlenecks by supporting investments in rail traffic (advancing the implementation of the European Rail Traffic Management System) and road traffic (improving roadside stations and smart mobility solutions). In addition, government IT systems are planned to be modernised through a reform in the public administration as well as further digitalisation of the criminal justice system and updating the IT systems of the Ministry of Defence. Additional investments contribute to developing digital skills at different levels of the education system and digital inclusion in the Netherlands. Furthermore, measures are planned to enable remote healthcare through the use of e-services and to strengthen data exchange between health institutions and for research.</p>	A
2.7	<p>The implementation of the envisaged measures is expected to have a <b>lasting impact</b>. The plan is consistent with the agenda of the government expressed in its 2021-2025 coalition agreement. This is expected to help ensure that the implementation of the plan is well coordinated.</p> <p>As part of its RRP, the Netherlands is structurally addressing the features of its tax system that have been used for aggressive tax planning. Key reforms of the labour and energy markets as well as of the pension system are expected to have a structural impact on the economy beyond the time frame of the RRF. The digital and technology-oriented investments in the RRP are also expected to provide benefits to the Dutch economy over the longer term on competitiveness and productivity. Furthermore, investments in the supply of</p>	A

	<p>housing in the Netherlands are also expected to improve the housing market over the next decade.</p> <p>The RRP also contains reforms that provide benefits to the Dutch economy over the longer term. The reform of the pension system is expected to ensure a future-proof and shock resilient pension system for current and future generations. The reform of the Energy Law is expected to have a long-term impact on the green transition by providing the legal framework for necessary investments to accommodate the expected increase in the transmission of energy generated by renewable energy sources. The lasting impact of the RRP can also be enhanced through synergies between the RRP and other programmes, including those financed by cohesion policy funds.</p>	
2.8	<p>The <b>milestones and targets</b> are clear and realistic and the proposed indicators for those milestones and targets are relevant, acceptable and robust. The milestones and targets constitute an appropriate system for monitoring the plan's implementation. The verification mechanisms, data collection and responsibilities described by the Netherlands appear sufficiently robust to justify in an adequate manner the disbursement requests once the milestones and targets are assessed as completed.</p>	A
2.9	<p>The assessment of the <b>cost estimates</b> and inherent supporting documents shows that most of the costs are well justified and reasonable. For some measures the information provided was less clear. Nevertheless, there is no evidence that would shed doubts on the costing estimates provided.</p> <p>In a limited number of instances, the comparability of past projects to the ones proposed in the plan could not be established partially due to the novelty of the measure or the costing was deemed relatively high compared to costs of similar investments. Depending on the significance of the shortcomings identified, these measures, representing a minority, are assessed as having "medium" or "low" plausibility.</p>	B
2.10	<p>The Netherlands' <b>control and audit system</b> is adequate to prevent, detect and correct potential fraud, corruption and conflicts of interest, and avoid double funding. The system presents a robust process and structure, where the roles and responsibilities are clearly defined and the relevant control functions are appropriately segregated. A dedicated Programme Directorate for the RRF in the Ministry of Finance is planned to be assigned as the coordinating body and as such has the responsibility for the protection of the Union's financial interests. Via sub-declarations, implementing bodies such as ministries, agencies or consortia are to confirm the protection of the Union's financial interest and the validity of the reported data on the milestones and targets. These sub-declarations are to be verified and signed by the financial economic affairs directorates of each ministry. The audit authority 'auditedienst rijk', an independent service within the Ministry of Finance, is to carry out regular audits of the management and control systems including substantive testing. The administrative capacity of the central services charged with the implementation and coordination of the RRP, namely the Programme</p>	A

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	Directorate in the Ministry of Finance, the audit body and the financial economic directorates of the involved sectoral ministries is adequate to conduct their foreseen roles and tasks. Two milestones have been included with regard to the formal adoption of the legal mandate of the coordinating and audit body involved in the implementation of Regulation (EU) 2021/241.	
2.11	The plan achieves a high degree of <b>coherence and complementarity</b> among its components and includes mutually reinforcing measures through synergies between different components.	A

## 2. Horizontal principles and additionality

Horizontal principle	Commission assessment
<b>Complementarity with EU programmes 2021-2027</b>	The measures in the plan are consistent with and complementary to other EU programmes in the period 2021-2027.
<b>Principle of additionality</b>	The measures in the plan respect the principle of additionality. The plan ensures the additionality of the support provided under the Recovery and Resilience Facility to the support provided under other Union funds and programmes and also ensures that they do not cover the same cost.
<b>Recurring costs</b>	The plan contains some recurrent costs, such as personnel costs and maintenance costs, which are essential for the success of the underlying reform or investment and which do not impose a significant burden on the national budget (most are temporary and the non-temporary ones lead to a limited cost for the future), making them all duly justified and acceptable

## 3. Reply to the European Parliament's questions

**Contribution to equality and gender equality:** The plan describes existing challenges and briefly explains which reforms and investments contribute to overcoming the challenges identified. The RRP contains measures that are expected to help the Netherlands address the challenges in the area of gender equality and equal opportunities for all. The plan describes these challenges in the field of gender equality and explains how reforms and investments in the plan will be instrumental to address them and further improve on past achievements, e.g. the relatively high employment rate of women. The plan contains three measures in the digital area, namely 'Quantum Delta NL', 'AiNed and AI Learning Communities' and 'National Education Lab AI' that, among other goals, aim to increase the participation of women in this sector. Equal opportunities are a cross-cutting theme in the plan. Measures that are designed to improve the labour market by reducing institutional differences, notably between self-employed and employees, are expected to contribute to providing more equal opportunities for all. Equal opportunities are also expected to be reinforced by investments supporting education and access to employment of youth through career advice and training activities.

**Contribution to high-quality employment creation:** The plan contains investments and reforms expected to boost the economic growth and jobs potential. Component 4 of the plan is expected to contribute to economic cohesion, inclusive growth, productivity and competitiveness via skill acquisition. By equipping the labour force with skills for the future, the plan aims to improve the

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employability of workers facilitating job-to-job transitions and thus is expected to enable citizens to make use of the opportunities of the twin transition. In light of recent energy price hikes, social cohesion is also expected to be strengthened by two large measures increasing investments into energy efficiency. They are expected to increase jobs and investments temporarily while permanently reducing energy bills. The plan is also expected to strengthen the growth potential of the economy and to facilitate job creation, innovation and competitiveness by investments into renewable energy, the further digitisation of the Dutch economy as well as the education system.

**Contribution to the implementation of the European Pillar of Social Rights:** The RRP is expected to have a high impact (Rating A) on strengthening the growth potential, job creation, and economic, social and institutional resilience of the Netherlands, contributing to the implementation of the European Pillar of Social Rights. The plan is expected to further improve social cohesion in the Netherlands, through investments into education and training, directly contributing to the implementation of the European Pillar of Social Rights, as well as in energy efficiency and affordable housing. Social cohesion will be supported through measures aiming at education and training, targeting disadvantaged groups or pupils with educational deficits caused by the pandemic. Additional investments are expected to increase the up- and reskilling opportunities to facilitate participation in the labour market vulnerable groups.

**Addressing regional disparities:** The plan includes measures that aim at enhancing territorial cohesion, in part by investing in digital infrastructure and sustainable mobility (Component 2). Investments into railways and smart mobility cover the whole territory and reinforce the integration of transport networks. It will promote safe, sustainable and smart mobility for both people and goods. Investments to improve the digital infrastructure and digital skills can support territorial cohesion by allowing more members of society to reap the benefits of working arrangements that are no longer tied to physical office spaces in cities.

**Contribution to upward economic and social convergence:** The plan contains several measures in priority areas, namely the environment, energy and resource efficiency, education, health, transport infrastructure, making labour market more flexible by increasing skills, including digital, and developing sectoral policies that are expected to contribute to upward economic and social convergence. For example, investments in the health sector are also expected to foster territorial cohesion and convergence. An investment included in the plan supported the use of e-health applications during the pandemic allowing vulnerable groups to receive health care at a distance. A more widespread use of e-health tools not only fostered social cohesion during the pandemic but may also contribute to territorial cohesion when applied in less densely populated areas.

**Contribution to CSRs on taxation:** The plan contains several measures to reduce vulnerabilities related to aggressive tax planning and money laundering. Measures in Component 6 are expected to broaden the tax base including by ensuring a more balanced taxation of multinationals. Anti-money laundering measures included in the same component are also expected to contribute to more institutional resilience. Together, these measures are expected to ensure efficient public administration and sound governance. The fight against aggressive tax planning is essential to make the Dutch tax system more efficient and fairer.

## **Annex**

*Table 1: Illustration of the plan's contribution to the six policy pillars*

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	Green transition	Digital transformation	Smart, sustainable & inclusive growth	Social and territorial cohesion	Health, and economic, social and institutional resilience	Policies for the next generation
C1: Promoting green transition	●		●			
C2: Accelerating digital transformation	○	●	●	●	○	○
C3: Improving the housing market and sustainably built environment	●			●	●	
C4: Strengthening the labour market, pensions and future-oriented education		○	●	○	●	●
C5: Strengthening the public health sector and pandemic preparedness		●			●	
C6: Tackling aggressive tax planning and money laundering			●		●	

Key: “●” investments and reforms of the component significantly contribute to the pillar; “○” the component partially contributes to the pillar

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Table 2: Mapping of country challenges identified in 2019-20 and 2022 country-specific recommendations and the Dutch RRP components

Country challenges (as identified in section 2)	Associated CSR (2019-2020-2022) and European Semester recommendations	Component 1- promoting the green transition	Component 2 – accelerating the digital transformation	Component 3 - Improving the housing market and sustainably built environment	Component 4 - Strengthening the labour market, pensions and future-oriented education	Component 5 - Strengthening the public health sector and pandemic preparedness	Component 6 - aggressive tax planning and anti-money laundering
Renewable energy, energy infrastructure & networks	CSR 2019.3 CSR 2020.3 CSR 2022.4	●		○			
Transport	CSR 2019.3 CSR 2022.4	●	●				
Environmental policy and resource management – sustainable agriculture	CSR 2022.4	●					
Wages & wage setting	CSR 2019.1 [2]						
Research and Innovation and public and private investment	CSR 2019.3 CSR 2020.3	●	○	○			
Pension systems and active ageing	CSR 2019.1 CSR 2022.1				●		
Housing	CSR 2019.1 CSR 2022.1			○			
Functioning of the labour market and poverty and social inclusion	CSR 2019.2 CSR 2020.2 CSR 2022.3				○	○	
Skills, Vocational Education and Training & adult learning	CSR 2019.2 CSR 2020.3 CSR 2022.3		○		○		

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Tax administration, tax evasion & tax avoidance and Anti-money laundering	CSR 2019.1 [3]CSR 2020.4 [3]						●
Healthcare	CSR 2020.1					●	

Key: “●” investments and reforms of the component significantly address the challenge; “○” the component partially addresses the challenge