



**Next  
Gen  
EU** 

# RECOVERY AND RESILIENCE FACILITY

**30<sup>th</sup> RRF Working Group meeting**

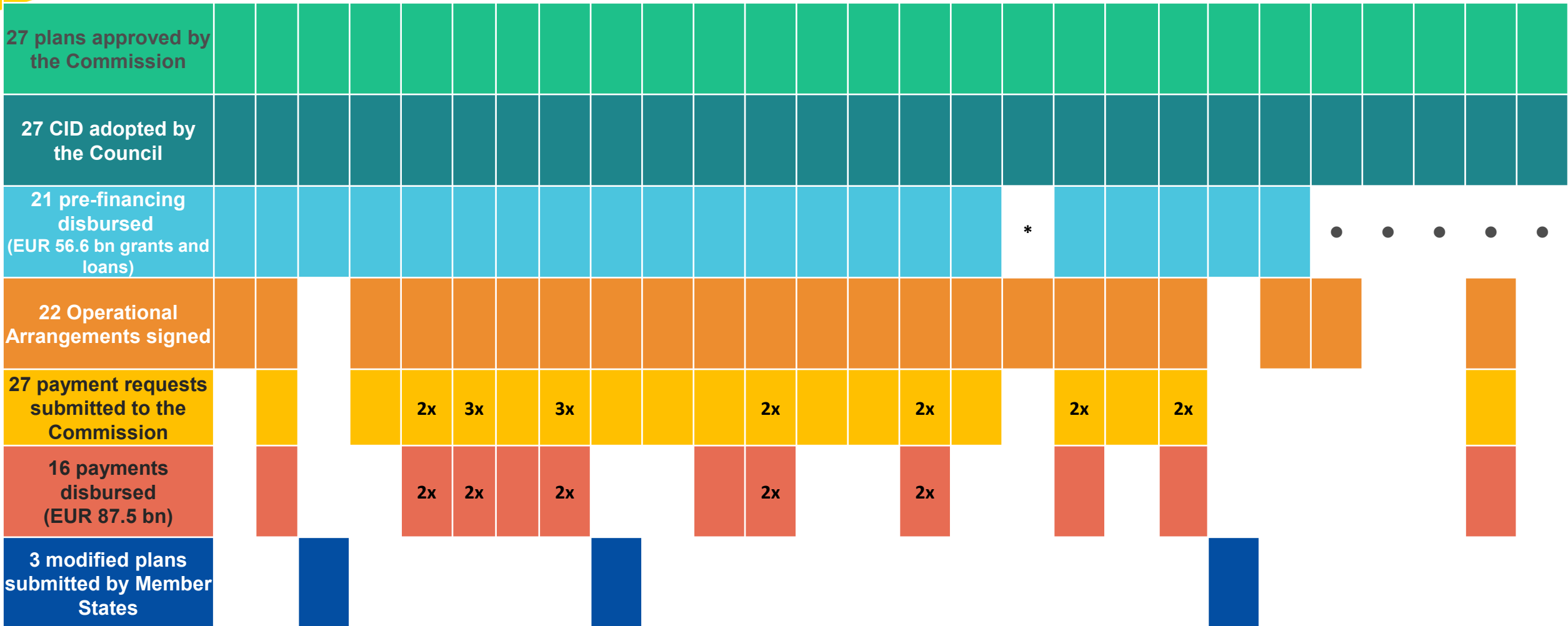
*The RRF: 2 years on. A unique instrument at the heart of the EU's green and digital transformation*

1 March 2023

# State of play on implementation: EUR 144 bn disbursed



BE CY DE DK EL ES FR IT LU LT LV PT SI CZ HR AT IE SK MT RO FI EE PL HU SE BG NL



2 No pre-financing requested.  
 ● Prerequisite to request pre-financing: CID was adopted by 31 December 2021.

# ...delivering on the EU recovery

**16** payment requests  
 already paid, 11 ongoing

Over **EUR 144 billion**  
 disbursed

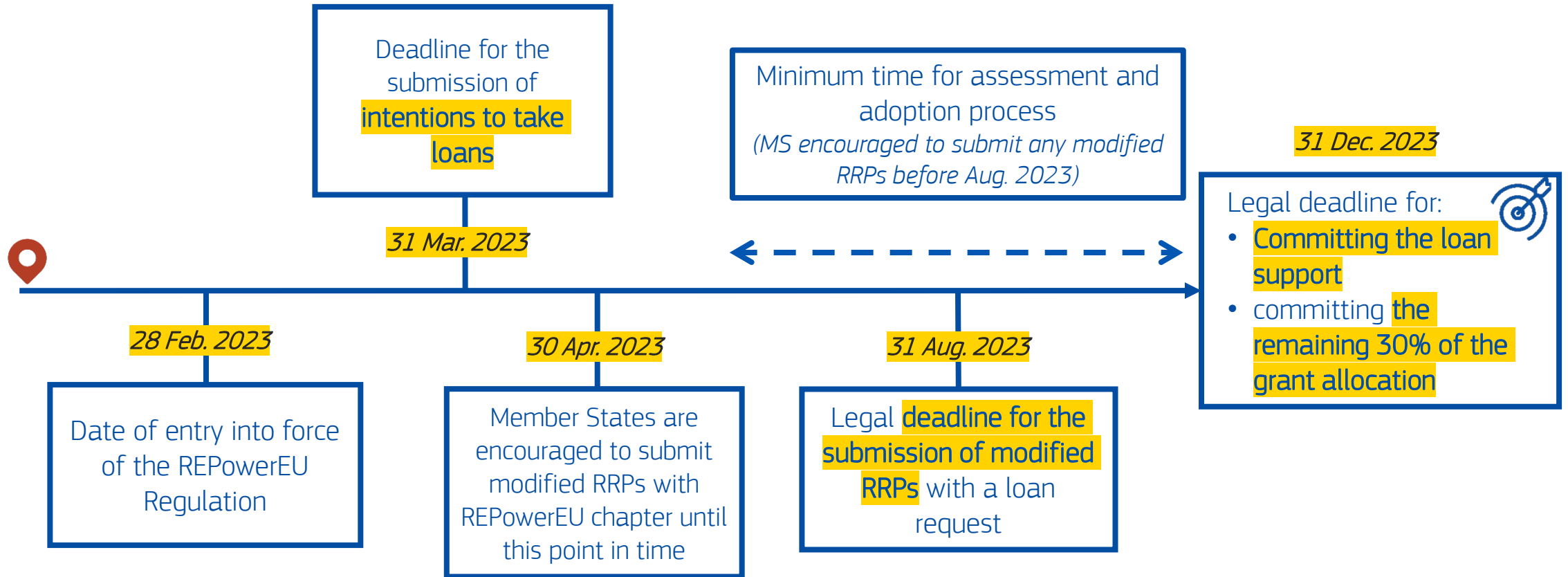
The **EU economy closed the gap** with its pre-pandemic  
 output levels in summer  
 2021.

Funding the RRF made the EU  
 one of the largest issuers of  
 euro-denominated bonds.  
 In 2022 EU gross issuances  
 reached **EUR 119 billion** in  
 long-term instruments.

**1/3 of all measures** in the 27  
 recovery and resilience plans  
 are reforms, 2187 in total

**EUR 203 billion for green  
 transition**, EUR 131 billion for  
 digital transformation and  
 EUR 138 billion for social  
 spending, across 27 plans

# Next steps




**Remaining loans available under the RRF:**

- EUR 225 billion



**Additional grants available under RRF / REPowerEU:**

- EUR 20 billion in new grants under ETS
- Up to EUR 5.4 billion transfers from BAR
- Up to EUR 17 billion transfers from CPR





The RRF is a unique Union instrument and its gradual implementation by **2026** will automatically accelerate the **implementation of CSRs!**

# What have Member States implemented?

## REFORMS



CROATIA adopted reforms to enhance employment and social protection



ITALY and SPAIN implemented reforms of their civil and justice system → will reduce the length of proceedings and improve the organisation of courts



CYPRUS adopted reforms tackling corruption and protecting whistle-blowers

## INVESTMENTS



FRANCE supports the decarbonisation and improving energy efficiency of industry (EUR 1.4 bn)



PORTUGAL digitalises the public administration to make it more accessible for citizens and businesses (EUR 170 mn)



LATVIA develops broadband infrastructure (EUR 4 mn)

# Framework for the assessment of milestones and targets

**Total number of milestones and targets assessed as satisfactorily fulfilled:**  
466 out of 5964 (*cut-off date February 2023*)



The Commission relies on the **wording** of each milestone and target included in the Council Implementing Decision in light of its **context and their purpose** to establish the requirements that should be fulfilled.

**Context & Purpose** derived from plans, Council implementing decision, exchanges with authorities, CSR,...

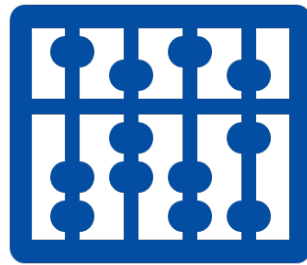
## The satisfactory fulfilment of those requirements - minimal deviations

- **Amount:** around 5% or less deviation from the amount set in the target or milestone
- **Formal requirements:** deviation linked to internal procedures of the Member State
- **Timing:** limited and proportional delays between the publication of regulatory measures and their entry into force
- **Substance:** minimal deviation that does not change the nature of the measure and does not affect the progress towards the policy objective of the reform or investment

# Partial suspension methodology (1)



Payment suspension provides time for Member States to fulfil relevant milestones or targets within six months.



The calculation of the suspended amount to reflect the performance-based nature of RRF

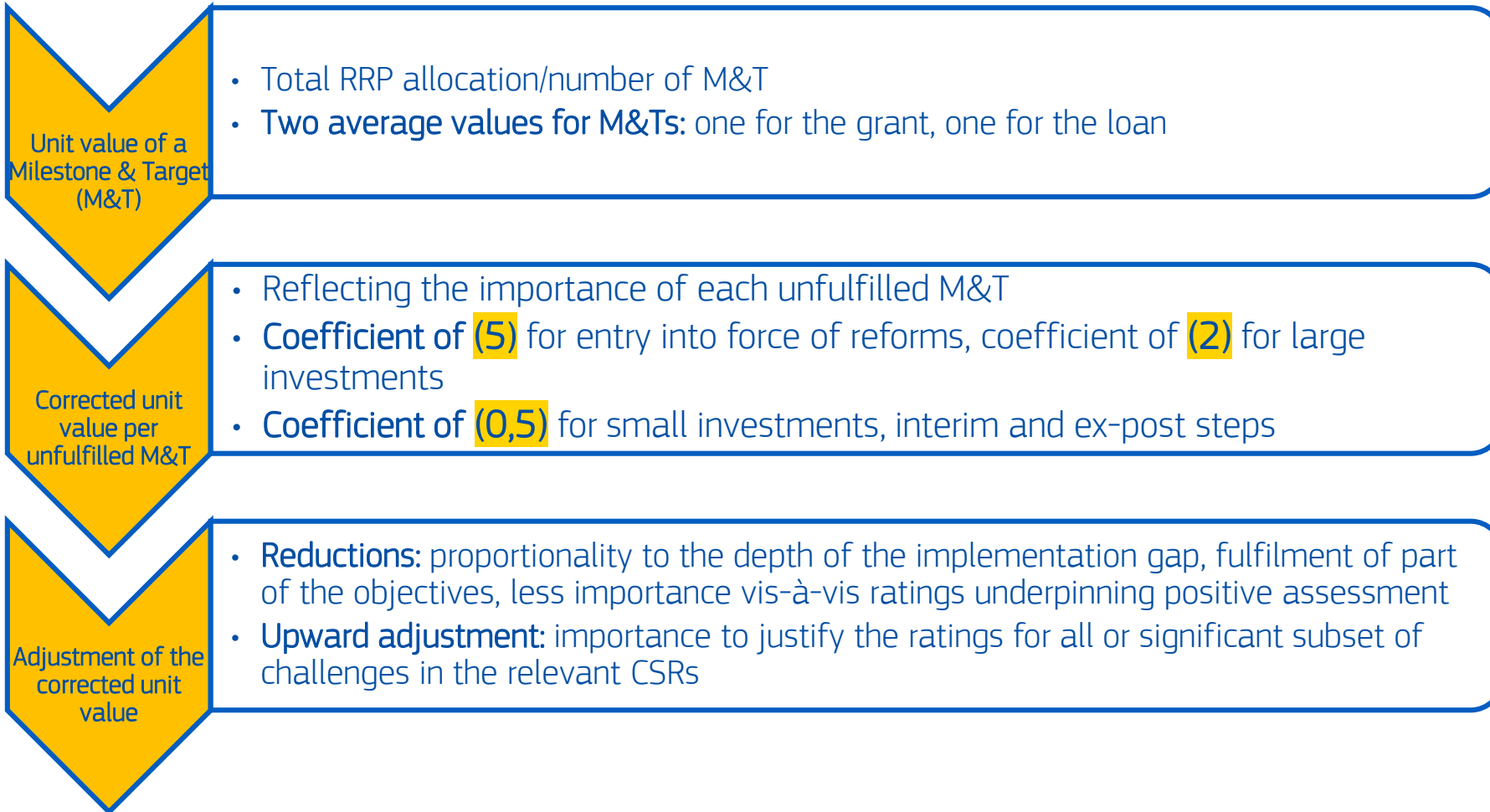


Full respect of equal treatment and proportionality principles



The contradictory procedure allows Member States to submit observations

# Partial suspension methodology (2)



The non-fulfilment of milestones or targets related to a Member State's **audit and control system** that were necessary for complying with Article 22 of the RRF Regulation shall lead to the **suspension of the full instalment and all future instalments.**



# Partial suspension methodology (3)

If COM finds that **only part** of the relevant milestones and targets have been **satisfactorily fulfilled**:

1. Positive preliminary assessment of the fulfilled part will be provided to EFC and the EP.
2. Member State will be informed through a letter about the **negative assessment** of some M&T.

Ultimately, if milestones or targets are not fulfilled, COM will **reduce the financial contribution**.



- Member State may present observations **within 1 month** to COM.
- COM proceeds with partial payment and suspends the rest
- Member State has then **6 months to take necessary measures** to ensure satisfactory fulfilment.

# Thank you!

## More information:

- [Recovery and Resilience Facility | European Commission \(europa.eu\)](#)
- [Recovery and Resilience Scoreboard](#)
- [Annual Report on the RRF](#)
- [Review Report on the RRF](#)
- [Communication: 2 years of the RRF](#)



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