



RRF 1st Payment request – LUXEMBOURG

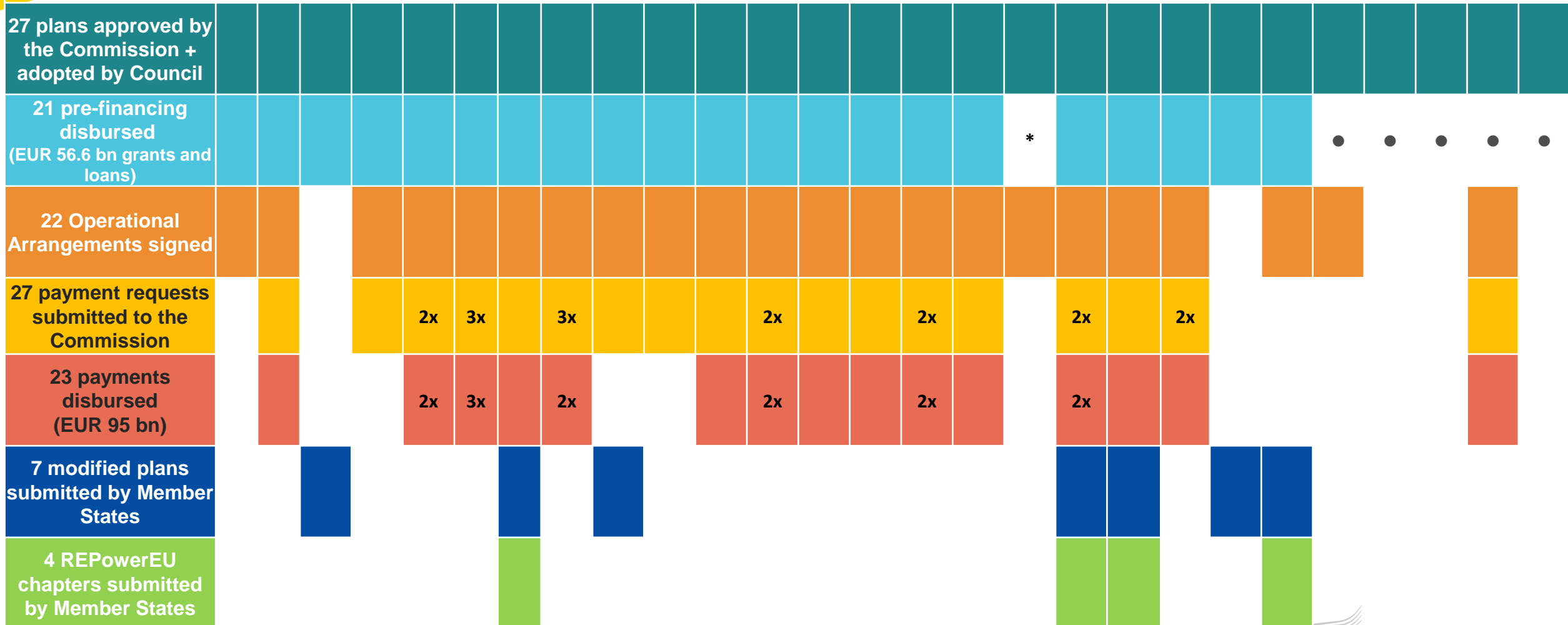
Preliminary assessment by the Commission

EPC meeting – 10/05/2023

State of play on implementation: EUR 152 bn disbursed

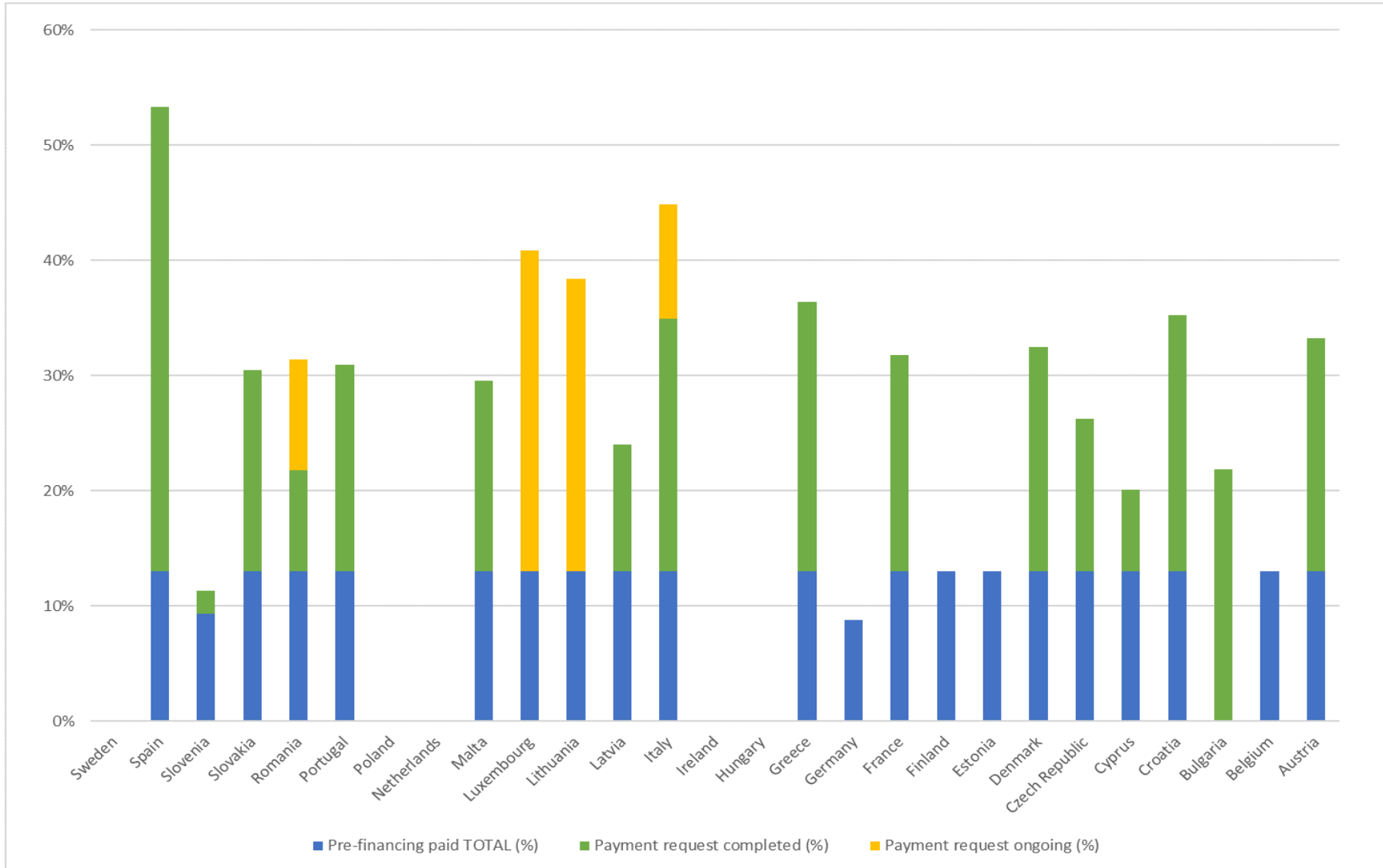


BE CY DE DK EL ES FR IT LU LT LV PT SI CZ HR AT IE SK MT RO FI EE PL HU SE BG NL



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

Speed of disbursement



Overview of the request



26 milestones
& targets



15 measures
7 reforms and
8 investments



Measures implemented
until 1st half of 2022



€ 20 million in
grants

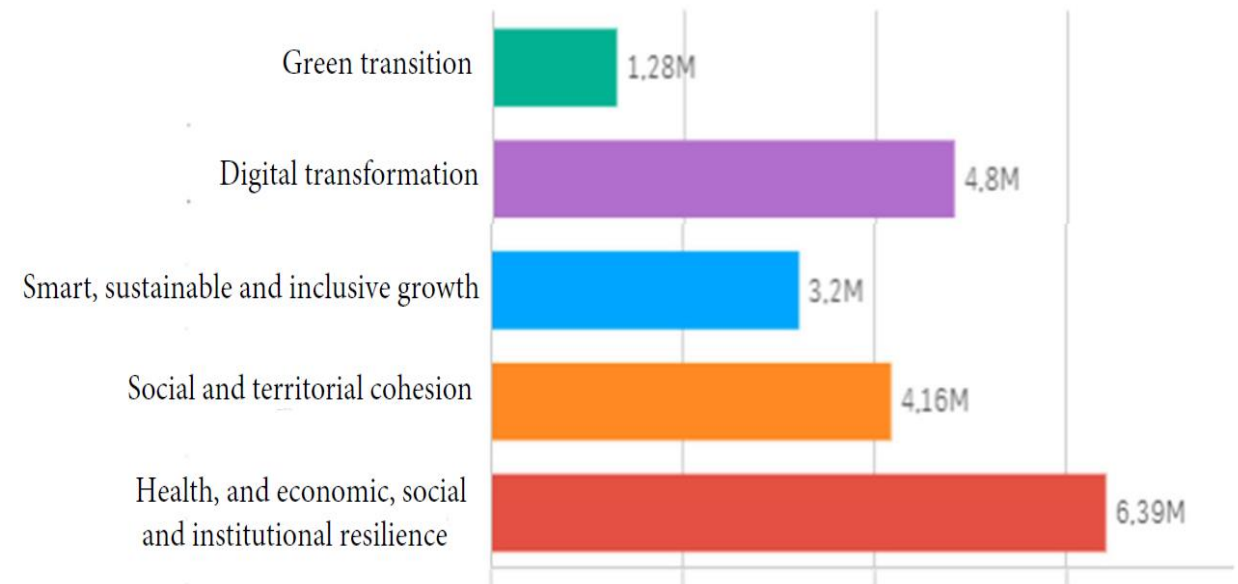
Summary of measures under 1st payment

Examples of Key Measures

- ✓ Entry into force of the “Housing Pact 2.0” reform
- ✓ Upskilling of the workforce with the launch of the “FutureSkills” programme
- ✓ Green mobility measures
- ✓ Reform for the protection of environment and biodiversity
- ✓ Digitalisation of the public sector with the development of “MyGuichet.lu”
- ✓ Investments in cyber security
- ✓ Preparing health system reforms
- ✓ Fight of money laundering and terrorist financing

Breakdown by RRF Policy pillar

Total Paid amount related to measures, weighted by Pillar
(These numbers exclude Pre-financing)



Audit and control



The A&C system was assessed positively in the context of the approval of this first payment request.

AC-1: repository system for Audits and Controls and information for monitoring the implementation of the RRP

AC-2: implementation of procedures to protect the financial interests of the EU

+ **Commitment on AC-2** (protection of the EU financial interests) by the authorities of Luxembourg to improve their risk mapping within the six months following the assessment.

Green transition

Mobility

- Milestone 2A-1 : entry into force of a legal framework which defines the minimum percentages **of clean vehicles among vehicles procured by public contracts**



- Milestone 2B-2 : entry into force of a Law setting out a **Naturpakt** with municipalities: Agreements with municipalities for the protection of nature and biodiversity.

Biodiversity

Digital transition

Digitalisation

- Milestone 3B-9: Development of an application for mobile phones on MyGuichet.lu
- Milestone 3B-10: Creation of ADEM 2025 Strategy



Ultra-secure connectivity solutions

- Milestone 3A-3: entry into operation of the **LuxQCI Laboratory**. This laboratory shall provide the necessary expertise to the scientific community to develop and operate the quantum communication infrastructure.

Social dimension



Milestone 1A-1 Official launch of the “Skillsdäsch” process to analyse the demand for skills, and to identify the most promising job profiles.

Milestone 1A-3 and Targets 1A-4 and 1A-5: FutureSkills programme: trainings for job seekers, including a target for 45+

Milestone 1B-1 Kick-off of the Gesondheetsdäsch process to strengthen the health system resilience

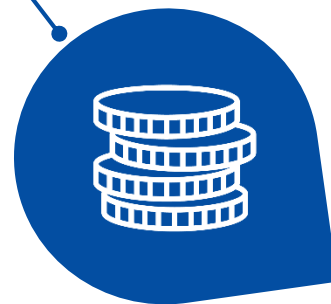
Milestone 1B-7 Remote medical monitoring between health professionals and patients (Maela)



Economic, social and institutional resilience

Anti-Money laundering

- **Milestone 3C-2 fight against money laundering and terrorist financing**
Reform of the legal regime applicable to trust and company service providers



Sustainable and affordable housing

- **Milestone 1C-1: entry into force of the “Housing Pact 2.0”**
Reform aimed at increasing the supply of affordable housing offered by municipalities



Key reform : Anti-money laundering

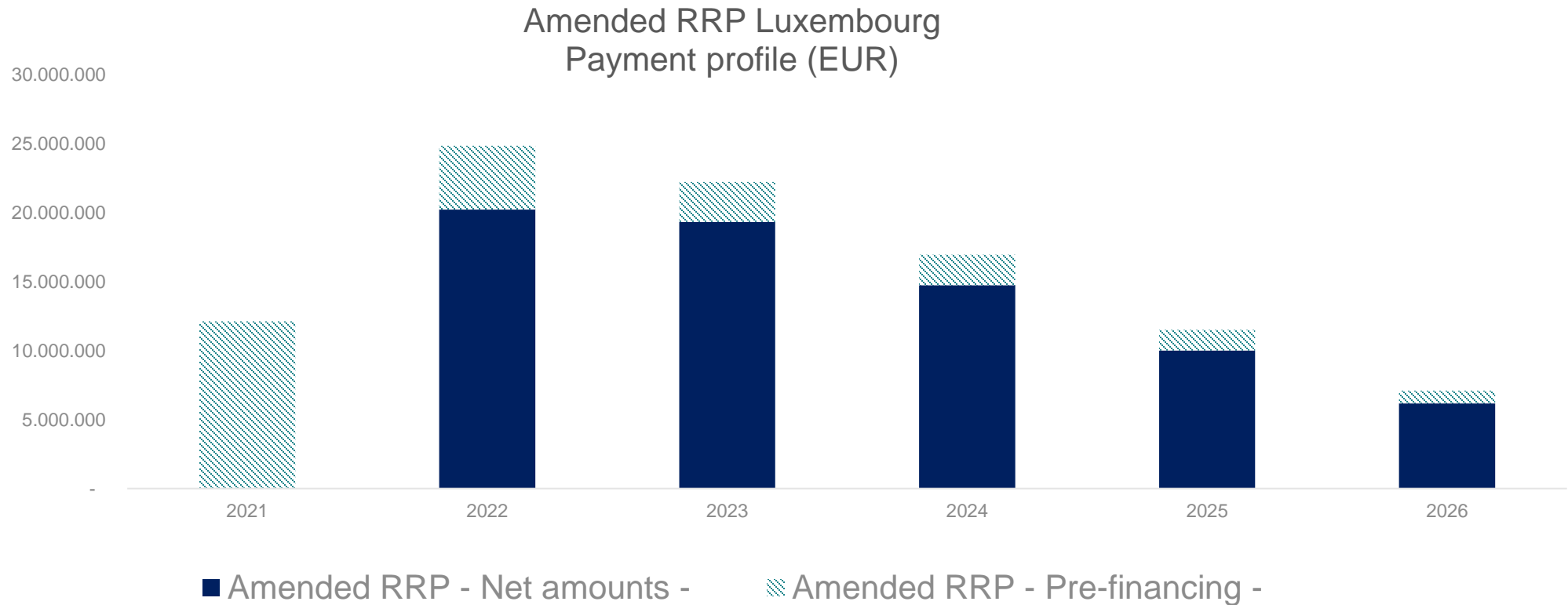
1) Reinforcement of the national provisions on the fight against money laundering (AML) and terrorist financing (TF) applicable to professionals providing trust and company services.

- ✓ Milestone 3C-2: Entry into force of Act of 25 March 2020 on AML and TF
- ✓ Milestone 3C-3: Entry into force of the Grand-Ducal Decree of 14 August 2020 on AML and TF
- ✓ Milestone 3C-8: Study reviewing the current legal regime applicable to trust and company service providers

2) Deepening the identification, assessment, and understanding of AML and TF risks

- ✓ Milestone 3C-4: Publication of a risk assessment of the threats Luxembourg faces of being a conduit for terrorist financing
- ✓ Milestone 3C-5: Publication of a sectoral risk assessment of legal persons
- ✓ Milestone 3C-6: 2020 update of National Risk Assessment (NRA) of ML and TF

A disbursement of 20 million would bring the total amount disbursed to-date to 32.4 million



Next steps

LU PAYMENT REQUEST – PLANNED CALENDAR

Submission of the payment request	28 December 2022
Adoption of the preliminary assessment	28 April 2023
Info session:	3 May 2023
EPC discussion:	10 May 2023
Adoption by EFC	23 May 2023 (tbc)
Comitology meeting:	31 May 2023 (tbc)
Payment	13 June (tbc)

Thank you

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Background slides

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Key reform : Housing pact 2.0

- (1st Payment request) Milestone 1C-1: Entry into force of the Housing Pact 2.0.

Article 1 of the Law of 30/7/2021 defines the Housing Pact 2.0: a cooperation program between the State and the municipalities with the three following objectives:

- ✓ to increase the supply of affordable and sustainable housing,
 - ✓ to mobilise the existing land and residential potential,
 - ✓ and to improve residential quality.
- Milestone 1C-1 will be followed by targets 1C-2 and 1C-3 (2nd and 3rd instalments), related to
 - ✓ the signature of the initial agreement between the government and the participating municipalities,
 - ✓ the implementation agreement.