



Brussels, 16.9.2024
C(2024) 6558 final

COMMISSION IMPLEMENTING DECISION

of 16.9.2024

on the authorisation of the disbursement of the first instalment of the non-repayable support for Belgium

(Only the Dutch and French texts are authentic)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility ⁽¹⁾, and in particular Article 24(5) thereof,

Whereas:

- (1) According to Article 4(2) of Regulation (EU) 2021/241, the specific objective of the Recovery and Resilience Facility is to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans.
- (2) Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Belgium ⁽²⁾ (the ‘Council Implementing Decision’) provides that the Union is to release instalments in accordance with the Financing Agreement conditional on a decision by the Commission, taken in accordance with Article 24(5) of Regulation (EU) 2021/241, that Belgium has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan.
- (3) On 29 September 2023, Belgium submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the first instalment of the non-repayable support. Pursuant to Article 24(3) of Regulation (EU) 2021/241, the Commission assessed on a preliminary basis whether the relevant milestones and targets set out in the Council Implementing Decision had been satisfactorily fulfilled. For the purpose of this assessment, the operational arrangements concluded between the Commission and Belgium ⁽³⁾ in accordance with Article 20(6) of Regulation (EU) 2021/241, were taken into account.
- (4) The Commission made a positive preliminary assessment of the satisfactory fulfilment of 19 out of 20 relevant milestones and targets related to the non-repayable support and, in accordance with Article 24(4) of Regulation (EU) 2021/241, provided its findings to the Economic and Financial Committee asking for its opinion on the satisfactory fulfilment of the relevant milestones and targets. In accordance with

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10161/21, ST 10161/21 ADD 1, as amended by ST 15570/23.

³ Recovery and Resilience Facility Operational arrangements between the European Commission and Belgium entered into force on 9 December 2022, and amended on 24 July 2024.

Article 25(4) of that Regulation, the Commission provided the competent committee of the European Parliament with an overview of its preliminary findings concerning the satisfactory fulfilment of the relevant milestones and targets. The Economic and Financial Committee agreed with the Commission's positive preliminary assessment and expressed the opinion that Belgium has satisfactorily fulfilled 19 out of 20 milestones and targets associated with the payment request. The Commission has taken the opinion of the Economic and Financial Committee into account for its assessment.

- (5) Section 2(1)(1.1) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the first instalment of the non-repayable support for an amount of EUR 973 994 000.
- (6) Milestone 56 requires the adoption of a Ministerial Decree by the Minister of Justice. The evidence provided by Belgium demonstrates that the Ministerial Decree was adopted and published, and that its contents and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (7) Milestone 70 requires the award of a public contract following the publication of a mission order. The evidence provided by Belgium demonstrates that the mission order was shared with the pre-selected suppliers by email, in line with the procedure foreseen by the relevant framework contract. The Council Implementing Decision required that a mission order document should be published. However, the mission order was not published but shared with the pre-selected suppliers by email, in line with the procedure foreseen by the relevant framework contract. In this respect, whenever the Brussels Regional Informatics Center ('BRIC') needs one or more specific services to develop a project, a mission order is sent to the pre-selected suppliers (Framework contract CSC2017.007, page 32 and 33). The pre-selected suppliers were given the opportunity to submit offers by 28 May 2021 (email sent on 7 May 2021 by the BRIC to the pre-selected suppliers, where the deadline of 28 May 2021 to submit offers is indicated, as well as the mission order document CSC2017.007 – Lot 021-2021-009, attached to that email, also mentioning the deadline to reply by 28 May 2021). Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, it did not change the nature of the requirement, as it achieved the same result as if the mission order was published, i.e. to adequately inform suppliers of the issuance of the mission order. As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the investment that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled. In addition, the content and objectives of the mission order are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (8) Milestone 72 requires the entry into operation of a new digital platform (Citizens Relations Management), which aims to simplify administration and facilitate interaction between the administration and citizens/enterprises, and between administrations themselves, in the Brussels Region. The evidence provided by Belgium demonstrates that the new Citizens relations Management platform is operational, and that its contents and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (9) Milestone 89 requires the adoption of a plan to implement the EU Connectivity Toolbox best practices, including the adoption of a roadmap towards simplifying the licensing and permitting procedures relevant for the rollout of 5G and very high-capacity networks such as fibre. The evidence provided by Belgium demonstrates that this plan, including the roadmap, was adopted and that its contents and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (10) Milestone 90 requires the publication of the legislative framework (the ‘5G Law’ and Royal Decrees) to assign EU pioneer radio spectrum bands, as defined by the Radio Spectrum Policy Group (‘RSPG’) for 5G networks, under investment-friendly conditions. The evidence provided by Belgium demonstrates that the legislative framework for the assignment of the 3400-3800 MHz and 700 MHz frequency bands was published in line with the requirements of the milestone. No legislative framework has been put in place with a view to assigning the 26 GHz frequency band, which can also be considered part of the ‘EU pioneer radio spectrum bands’. Belgium explained that there is no market demand for the 26 GHz frequency band in Belgium, as evidenced by the answers of three major mobile operators (Orange, Proximus and Telenet, which together represented between 80% and 100% of the relevant market share according to a Belgian Institute for Postal Services and Telecommunications (‘BIPT’) report of 9 June 2023, p. 45) to the public consultation on the use of the 26 GHz frequency band of 2019. Since this consultation, the BIPT has not received any request from any market party to make the 26 GHz frequency band available. Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, it is considered that the omission of the 26 GHz spectrum band from the legislative framework does not affect the policy objective of this reform, which is to remove bottlenecks, including regulatory bottlenecks, for the deployment of 5G. This is because, as explained on p. 2 of the third RSPG opinion on 5G “Strategic Spectrum Roadmap towards 5G for Europe: RSPG Opinion on 5G implementation challenges”, the 3400-3800 MHz band “brings the necessary capacity for new 5G services” and the 700 MHz band is one of the bands below 1 GHz that “can enable 5G coverage to all areas”. These two bands therefore suffice to effectively roll out 5G, which is also supported by publicly available data: according to the Digital Economy and Society Index (DESI) data used in the Commission Staff Working Document SWD(2024) 601 final (‘2024 Country Report – Belgium’) 5G coverage in Belgium has rapidly increased from 4% of populated areas in 2021 to 40% of populated areas in 2023, the latest data available. As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the reform that the milestone represents which is to remove bottlenecks, including regulatory bottlenecks, for the deployment of 5G. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (11) Milestone 110 requires the adoption of a revised mobility budget to incentivise the use of sustainable modes of transport alternative to company cars. The evidence provided by Belgium demonstrates that a revised mobility budget has entered into force and explains the expected impact of the changes on demand for sustainable modes of transport alternative to company cars. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (12) Milestone 116 requires the adoption of a framework for the deployment of charging infrastructure in the Flemish Region. The evidence provided by Belgium demonstrates that the Flemish Region adopted policy and legal frameworks to enable the mapping

of future charging points and the launch of concession tenders for public charging points, as well as, to stimulate the deployment of semi-public charging points on private properties, and shorten the lead time for the installation of charging points, by reducing the administrative burden. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (13) Milestone 120 requires the adoption of a tax incentive to install private and semi-public charging points for electric cars. The evidence provided by Belgium demonstrates that a tax incentive, which allows for the deductibility of the installation costs, was adopted by a legal act that entered into force. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (14) Milestone 126 requires the adoption of a law reforming the company car tax scheme to introduce a progressive reduction of the tax deductibility rate for conventional company cars and as of 2026, exclude from the scheme new cars that are not zero emission. The evidence provided by Belgium demonstrates that a revised company car tax scheme that addresses all six requirements of the Council Implementing Decision is laid down by a legal act which entered into force. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (15) Milestone 135 requires the adoption, by the Parliament of the French Community, of a new decree framework which sets the terms of intervention of a transitional system which aims to combat both the spread of educational disadvantage and early school leaving, and respond to the psychosocial, educational and pedagogical problems of pupils in primary and secondary schools, in the context of the COVID-19 crisis. The evidence provided by Belgium demonstrates that a decree framework was adopted, and that its contents and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (16) Target 137 requires the installation of at least 2200 ICT devices and WI-FI access points in schools located in Brussels specifically, and especially to schools with a lower socio-economic index. The evidence provided by Belgium demonstrates that the ICT devices and WI-FI access points were installed, and that the requirements and objectives of the target are met. Based on the due justification provided, the target should be considered as satisfactorily fulfilled.
- (17) Milestone 150 requires that the Walloon government endorses a deinstitutionalisation strategy for long-term care, in the context of the Walloon health policy this strategy being targeted in particular at the elderly and people with disabilities. The evidence provided by Belgium demonstrates that a deinstitutionalisation strategy was endorsed by the Walloon government, and that its content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (18) Milestone 172 requires the adoption of a revision of the Law of 5 March 2017 on feasible and manageable work, with the final aim of developing individual entitlement to training for employees, and more specifically, of ensuring that from 2024 all workers are entitled to an average of five training days per year. The evidence provided by Belgium demonstrates that the revised Law was adopted, that it was developed based on dialogue between the social partners and the federal government, and that the revised Law's content and objectives are in line with the requirements of the milestone. Based on the due justification provided, the target should be considered as satisfactorily fulfilled.

- (19) Milestone 173 requires the adoption of the Programme Law of 20 December 2020, and its publication in Belgium's Official Journal. The evidence provided by Belgium demonstrates that the Law was adopted and published, and that its contents and objectives are in line with the requirements of the milestone. Based on the due justification provided, the target should be considered as satisfactorily fulfilled.
- (20) Milestone 177 requires the adoption by the Walloon Parliament of the Decree of 12 November 2021, which relates to coaching and solutions-oriented support for jobseekers. The evidence provided by Belgium demonstrates that the Decree was adopted, and that its contents and objectives are in line with the requirements of the milestone. Based on the due justification provided, the target should be considered as satisfactorily fulfilled.
- (21) Milestone 196 requires the launch and appointment of the Steering Group of Circular Flanders, as well as the adoption of a Roadmap and Work Agendas for guiding circular economy projects and the development of strategic levers. Circular Flanders is the central platform in Flanders aimed at facilitating the transition to a circular economy in cooperation with stakeholders. With this milestone, the governance of Circular Flanders will be significantly improved and expanded. The evidence provided by Belgium demonstrates that the Steering Group of Circular Flanders was launched, that the Roadmap and Work Agendas were adopted, and that their contents and objectives are in line with the requirements of the milestone. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (22) Milestone 205 requires that the Federal Government, the Walloon Region, and the Brussels-Capital Region complete their respective pilot spending reviews and draft the related reports, and that the Flemish Region integrates spending reviews into the budgetary process through government decisions. The evidence provided by the Federal Government, the Walloon Region, and the Brussels-Capital Region demonstrates that the respective pilot spending reviews were completed and that the related reports were drafted. The Council Implementing Decision requires that government decisions define how spending reviews (or similar approach) are integrated into the budgetary process. The Flemish authorities have integrated spending reviews in the budgetary process through a Decree and a Decision. Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, the Flemish authorities have chosen to integrate spending reviews in the budgetary process through a Decision and also through a Decree, which is an act with a higher legal status than a Decision. Therefore, this minimal deviation does not affect the progress towards achieving the reform that the milestone represents. Furthermore, the evidence provided by the Flemish Region demonstrates that the evaluation on ten policy domains was carried out by 17 September 2021. The Council Implementing Decision required the evaluation by mid-2021. Whilst this constitutes a minimal deviation from the requirement of the Council Implementing Decision, the delay is considered limited, notably since it neither changes the nature of the measure nor affects the progress towards achieving the reform that the milestone represents. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (23) Milestone 209 provides for a repository system for recording and storing all relevant data related to the implementation of the Recovery and Resilience Plan, especially the achievement of milestones and targets as well as the collection of data required by Article 22(2)(d)(i) to (iii) of the RRF Regulation. The evidence submitted by Belgium confirms that the system is in place and operational. The audit report submitted by

Belgium as evidence of the implementation outlines that a repository system is in place at the level of the Federal coordinating body, which centralises and collects data from the federated entities on the monitoring of the achievement of the milestones and targets. In addition, considering the constitutional framework of Belgium, each entity has its own IT system which records and stores all relevant data on the implementation of the Belgian Recovery and Resilience Plan. The repository system of each entity is able to collect and store data on final recipients, contractors, subcontractors and to some extent on beneficial owners. Certain repository systems could be refined and optimised in view of collecting data required by Article 22(2)(d)(ii) and (iii), particularly for foreign companies. Belgium has committed to ensure completeness of the data collected and stored in the repository systems on both national and foreign companies for already concluded contracts as required by Article 22(2)(d)(i) to 22(2)(d)(iii) of the RRF Regulation and to inform the European Commission thereof within six months of the adoption by the Commission of the Preliminary Assessment of the first payment request. Based on the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (24) Milestone 210 provides for the development and the implementation of adequate coordination arrangements, including cross-checks, at the level of the coordinating body at inter-federal level. The aim of this is to avoid double funding from the Facility and other Union programmes in accordance with the principle of sound financial management. Belgium submitted the summary note describing the arrangements as amended at the inter-ministerial conference of 31 May 2024 and applicable since 2024, and the extent to which they are being implemented. Belgium has committed to take specific measures to make further progress in the implementation of the updated inter-federal coordination arrangements to avoid double funding. Belgium will therefore provide evidence of the implementation of the cross-checks carried out at the level of the federal entities to avoid double funding between the RRF and other EU programmes following the April 2024 load into Arachne in accordance with the inter-federal procedure on double funding. This commitment includes finalising the implementation of the inter-federal coordination arrangements as amended at the inter-ministerial conference of 31 May 2024. Belgium has committed to finalise the implementation within the next six months, following the adoption of the first payment by the Commission. The Commission will monitor the timely implementation of these arrangements. Based on the due justification provided, the milestone should be considered satisfactorily fulfilled.
- (25) Following the partially positive assessment concerning the Kingdom of Belgium's payment request, in accordance with Article 24(5) of Regulation (EU) 2021/241, the disbursement of the financial contribution for the first instalment of the non-repayable support should be authorised.
- (26) In accordance with Article 2(3) of the Council Implementing Decision, as specified in the Financing Agreement, the pre-financing of the financial contribution shall be cleared by being proportionally deducted against the payment of the instalments. As Belgium received EUR 872 227 188 of the financial contribution as pre-financing, an amount of EUR 129 279 937 of the payment should be utilised to clear the pre-financing, of which EUR 19 127 921 to clear the pre-financing for the REPowerEU chapter. Additionally, in accordance with Article 13(3) of Regulation (EU) 2021/241 and Article 5 of the Financing Agreement, this payment shall also be reduced to offset the excess amount of pre-financing of EUR 182 074 018.

- (27) This Decision should be without prejudice to procedures relating to distortions of the operation of the internal market that may be undertaken, in particular under Articles 107 and 108 of the Treaty on the Functioning of the European Union. It does not override the requirement for Member States to implement the measures in accordance with Union and national law and, in particular, to notify instances of potential State aid to the Commission under Article 108 of the Treaty on the Functioning of the European Union.
- (28) The measures provided for in this Decision are in accordance with the opinion of the Committee established by Article 35(1) of Regulation (EU) 2021/241,

HAS ADOPTED THIS DECISION:

Article 1

Authorisation of the disbursement of the non-repayable support

The disbursement of the first instalment of the non-repayable support as laid down in Section 2(1)(1.1) of the Annex to the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Belgium for an amount of EUR 942 962 800 is authorised.

In accordance with the Financing Agreement concluded pursuant to Article 23(1) of Regulation (EU) 2021/241 between the Commission and the Kingdom of Belgium, EUR 311 353 955 shall be utilised to clear the pre-financing of the financial contribution and offset the excess amount of pre-financing paid. EUR 631 608 845 shall be provided to Belgium by means of payment to the bank account indicated in the Financing Agreement.

Article 2

Addressee

This Decision is addressed to the Kingdom of Belgium.

Done at Brussels, 16.9.2024

For the Commission

Paolo GENTILONI

Member of the Commission