

The information contained in this summary is based on the documents COM(2022) 152 final and SWD(2022) 102 final, which are the authentic documents representing the Commission's assessment of the plan.

Summary of the assessment of the Swedish Recovery and Resilience Plan

Grants: EUR 3 289 286 914 / 0.7% of 2019 GDP - No loan

27 measures: 15 reforms and 12 investments

Number of milestones and targets: 56 (23 milestones and 33 targets)

Climate target: 44.4%

Digital target: 20.5%

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

Criterion	Commission assessment	Rating A-C
2.1	<p>The Swedish Recovery and Resilience Plan covers comprehensively the six policy pillars as referred to in Article 3 of Regulation (EU) 2021/241, structuring the scope of the application of the Recovery and Resilience Facility, with an appropriate overall balance between pillars. The plan follows a comprehensive approach to support recovery and potential growth, while improving socio-economic and institutional resilience. The plan explains in detail how its five components address the six pillars.</p> <p>As regards green transition, the plan includes measures to accelerate the green transition of carbon-intensive sectors, such as transport and industrial sectors. Additional investments aim at further decarbonising the economy, foster research and development, and improve the energy efficiency of housing, along with measures to protect valuable land and make taxation more climate-friendly.</p> <p>The digital transition is in particular supported by dedicated investments to further improve high-speed connectivity, and measures supporting the digitalisation of the public administration. Moreover, the plan contains investments to scale-up education at universities and other higher education institutions, with a substantive share going to programmes that increase digital skills.</p> <p>To sustain smart, sustainable and inclusive growth, the plan provides for measures to support the development and application of new technologies both in the digital and green domain as well as research and innovation in key technologies for the future, with a strong focus on upskilling and reskilling.</p> <p>A number of investments, including the accessibility of digital resources, facilitate territorial cohesion. The plan promotes regional cohesion in relation to less densely populated areas across the country through the broadband measure. Moreover, several measures in the education component are expected to have a long-term positive impact on social cohesion and integration by targeting vocational education and education for individuals with particular difficulties in the labour market as well as programmes to improve knowledge of the Swedish language among all residents.</p> <p>Moreover, to mitigate adverse shocks and better respond to crises, the plan contains actions to address existing structural weaknesses of the health care and social protection systems (social resilience), to reform the rental market</p>	A

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	and the tax system (economic resilience) and foster the digitalisation within the public administration (institutional resilience). Concerning policies for the next generation , reforms and investments tackle housing affordability and access to the labour market .	
2.2	The plan includes an extensive set of mutually reinforcing reforms and investments that contribute to effectively addressing all or a significant subset of the economic and social challenges outlined in the country-specific recommendations addressed to Sweden by the Council in the European Semester in 2019 and in 2020, notably in the areas education and skills (study places, second language), sustainable transport (railway support), digital transition including through support to R&D, anti-money laundering, health care (elderly care initiative, pensions) investments, green transition (energy efficiency, valuable nature, reduction obligation) and public administration (broadband, digital infrastructure). The plan only partially addresses the macroeconomic imbalances in the housing market and private debt (CSR 1 of 2019).	A
2.3	The plan contains measures that support economic growth and cohesion in an inclusive manner and contribute positively to GDP growth and job creation . The overall increase in GDP is projected to reach 0.5% by 2026. Further progress with digital and green transition will also improve resilience against external shocks while environmentally sustainable initiatives should help reduce exposure to unsustainable economic activities at risk of obsolescence. Social disparities that have increased during the COVID-19 pandemic are targeted in the recovery and resilience plan through investments in education, digitalisation, innovation and health, also aiming at balanced regional development.	A
2.4	Sweden has conducted an <i>ex-ante</i> assessment for each measure indicating that the principle of “ do no significant harm ” 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 Swedish 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).	A
2.5	The green component of the plan includes investments ranging from broad schemes supporting the decarbonization process of emission-intensive industries and transport, as well as financing local and regional investments in CO2 emission reductions, to more specific investments aimed to improve the energy efficiency of apartment buildings and the upgrade of railways. These investments are complemented by reforms which increase the environmental taxation of conventional fuels and measures to improve the energy efficiency of buildings by providing aid for energy efficiency improvements in multi-dwelling buildings as well as for rental and student housing. Environmental challenges such as biodiversity via the protection of valuable nature are tackled to specific measures. All of them are well aligned with the priorities of the European Green Deal and its 2030 climate target plan as well as the goal to make the EU climate-neutral by 2050. Together, the measures supporting the climate change objectives account for 44.4% of the Swedish plan's total allocation.	A
2.6	The digital transition is supported through measures that will enhance broadband expansion and digitalisation of public administration. Other investments related to energy efficiency of buildings and measures related to	A

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	<p>digital skills are expected to strengthen digital transition. By increasing study places and resources in the educational field, the plan also supports digital skills and human capital accumulation.</p> <p>The measures in the digital domain are consistent with the 2021 Annual Sustainable Growth Strategy and the Sweden's Digital Strategy.</p> <p>Together, the measures supporting the digital transition objectives account for 20.5% of the Swedish plan's total allocation.</p>	
2.7	<p>The implementation of the plan is expected to bring about a lasting significant impact to Sweden by permanently enhancing innovation capacity, environmental sustainability, human capital, digital skills and labour force participation as well as improving social cohesion and inclusion.</p> <p>Structural changes in the economy, through reforms in fiscal policy and the "Industry Leap", in growth and employment, in green and digital transitions could be singled out as the most important envisaged results of the plan.</p> <p>The digital transformation of the economic and social sectors (including public administration notably under the investment "Joint public administration digital infrastructure", public services, and the justice and health systems) will benefit from investments and reforms that introduce structural changes.</p> <p>Social and regional cohesion should also be positively impacted after the implementation of the investments in the educational component and human capital.</p>	A
2.8	<p>The plan includes 23 milestones and 33 targets that appropriately reflect the lifecycle of the measures. The milestones and targets are sufficiently clear, ambitious and realistic. Their indicators are relevant, acceptable and robust.</p> <p>The Swedish National Financial Management Authority (ESV) is entrusted with the task of to monitor and audit the achievement of the milestones and targets.</p>	A
2.9	<p>A detailed breakdown of the cost per measure was provided by Sweden, showing that the costs are partially reasonable, plausible, cost efficient and commensurate. Sweden provides the assurance that, to the extent that procedures for the prevention of double funding are not already present within the existing regulatory framework governing the measures in the plan, such procedures will be put in place to ensure that the reforms and investments included in the plan do not finance the same costs as other Union funds.</p> <p>The amount of the estimated total costs of the recovery and resilience plan is also commensurate to the expected social and economic impact of the envisaged measures. The justification provided by Sweden on the amount of the estimated total cost of the recovery and resilience plan is to a medium extent reasonable, plausible, in line with the principle of cost-efficiency and is commensurate to the expected national economic and social impact.</p> <p>Sweden provided sufficient information and evidence that the amount of the estimated cost of the reforms and investments of the recovery and resilience plan to be financed under the Facility is not covered by existing or planned Union financing.</p>	B
2.10	<p>The control and audit system developed by the Swedish authorities is coherently designed to meet the RRF requirements.</p> <p>The coordination and preparation requests for payment and their annexes will be the responsibility of the Ministry of Finance while the overarching audit authority is the Swedish National Financial Management Authority (ESV).</p> <p>The National Audit Office (NAO) will also contribute to the summary of audits.</p>	A

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	Several legal acts underpin the Swedish control systems and several elements of the existing Swedish governance system reduce the risk of double funding. However, the plan includes milestones on the formalisation of legal mandates and on adaptations needed of the regulations and missions covering the activities of the implementing bodies. These need to be fulfilled for the control and audit system to be adequate and functioning before submitting disbursement requests. Finally, new mandates and legal adaptations for the implementing bodies still need to be formally adopted by Parliament through the budgetary procedure which should have been done by the end of 2021.	
2.11	The plan achieves a high degree of coherence and complementarity among its components and includes mutually reinforcing measures through synergies between different components.	A

2. Horizontal principles and additionality

Horizontal principle	Commission assessment
Complementarity with EU programmes 2021-2027	The measures in the plan are consistent with and complementary to other EU programmes in the period 2021-2027.
Principle of additionality	The measures in the plan respect the principles 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.
Recurring costs	Value-added tax (VAT) is not part of the cost estimates and costs that could have a recurrent nature are not included in the plan.

3. Reply to the European Parliament's questions

Contribution to equality and gender equality: While the gender gap is very low in Sweden, the Plan has a strong focus on gender equality, as the impact of every measure on women and men is carefully assessed. Measures in the area of education, training and reskilling targeted at young people and foreign-born, in particular women, are expected to effectively address the country's challenges in the area of gender equality and equal opportunities for all. The plan also presents the mechanisms and governance structures ensuring that equality will be duly taken into consideration during its implementation. These include gender budgeting as well as gender mainstreaming in public authorities and higher education institutions.

Contribution to high-quality employment creation: The plan includes a wide set of measures that contribute to economic long-term growth and increasing employment through government-financed training and skilling facilities. These include measures aimed at reducing inequalities in education and enhancing the integration of vulnerable groups in the labour market. Reforms of social security and pension and changes in labour market legislation should contribute positively to higher employment levels and improved human capital formation..

Contribution to the implementation of the European Pillar of Social Rights: Sweden performs well on most of the indicators of the Social Scoreboard supporting the European Pillar of Social Rights and the plan addresses some of the employment and social challenges relevant to the implementation of the Pillar. Social cohesion will be fostered through measures aiming at education and training, directly contributing to the implementation of the Pillar by improving several labour market and social

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indicators. Through competence development and labour market inclusion, the plan should increase the number of training opportunities and study places in vocational training and higher education, focusing on individuals with particular difficulties in the labour market. This is expected to foster labour market integration, in particular of people born outside of Europe, of those lacking upper secondary education as well as older unemployed and people with a disability.

Addressing regional disparities: A broad set of measures are expected to promote learning, digitalisation and innovation, including on green technologies, leading to territorial cohesion and convergence. Investments in digital (broadband roll-out, digital infrastructure) will contribute to the reduction of regional disparities by providing access to more remote and sparsely populated regions and strengthening their access to the labour market. Training and schooling programmes in the educational component of the plan are accessible in less densely populated areas across the country while upgrading transport infrastructure should also help diminish regional dispersion.

Contribution to upward economic and social convergence: Several initiatives, by providing a broadband connection to outer regions, enhance regional cohesion and engage a broader public to take part in the upward social and economic convergence driven by digitalisation. The plan also contributes to upward economic and social convergence through investments in education as it includes measures to increase compensation for vocational training in combination with courses in Swedish for Immigrants and Swedish as a second language. With additional measures to support affordable housing, the Swedish plan can be expected to have an impact on social cohesion and integration.

Contribution to CSRs on taxation and anti-money laundering: The plan includes an extensive set of mutually reinforcing reforms and investments that contribute to effectively addressing a significant subset of the economic and social challenges outlined in the country-specific recommendations issued to Sweden by the Council in the European Semester in 2019 and 2020. Regarding taxation and anti-money laundering, the plan includes reforms in Component 3 aimed at addressing a significant number of challenges faced by the Swedish economy and will strengthen the effectiveness of financial supervision of money laundering (CSR 3 of 2019 and 2020).

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Annexes

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

	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: Green recovery	●	○	○	○		
C2: Education, training and conversion		●	○	○	○	●
C3: Better conditions to meet the demographic challenge and ensure the integrity of the financial system			●	○	●	
C4: Broadband roll-out, digitalisation of public administration and research		●	○	●	●	
C5: Investment for Growth and Housing	○		○	○	●	

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

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

Country challenges (as identified in Section 2)	Associated CSR (2019-2020) and European Semester recommendations	Component 1- Green recovery	Component 2- Education and transition	Component 3- Better conditions for addressing demographic challenges	Component 4- Broadband expansion and digitalisation of public administration	Component 5- Investment for growth and housing
Macroeconomic imbalances in the housing market and household debt	2019 CSR 1 Address risks related to high household debt by gradually reducing the tax deductibility of mortgage interest payments or increasing recurrent property taxes Stimulate investment in residential construction where shortages are most pressing, in particular by removing structural obstacles to construction. Improve the efficiency of the housing market, including by introducing more flexibility in rental prices and revising the design of the capital gains tax					○

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Education and skills	2019 CSR 2 focus investment related economic policy on education and skills 2020 CSR 2 support education and skills development		•	•		
Sustainable transport	2019 CSR 2 focus investment related economic policy on sustainable transport to upgrade the different transport modes, in particular railways, [2] 2020 CSR 2 sustainable transport	•				
Research and development	2019 CSR 2 focus investment related economic policy on research and innovation, taking into account regional differences 2020 CSR 2 Foster innovation 2020 CSR 2 high tech and innovative sectors	•	•			
Anti-money laundering	2019 CSR 3 Ensure effective supervision and the enforcement of the anti-money laundering framework [3] 2020 CSR 3 Improve the effectiveness of anti-money laundering supervision and effectively enforce the anti-money laundering framework [4]			•		
Health care	2020 CSR 1 Enhance the resilience of the health system, including by ensuring sufficient critical medical products and addressing the shortage of health workers			•		
Green and digital transition	2020 CSR 2 Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, [...], 5G networks	•			•	

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