Germany’s recovery and resilience plan

The European Commission has given a positive assessment to Germany’s recovery and resilience plan, which will be financed by €25.6 billion in grants.

The financing provided by the Recovery and Resilience Facility – at the heart of NextGenerationEU – will support the implementation by 2026 of crucial investment and reform measures put forward by Germany to emerge stronger from the COVID-19 pandemic.

The German plan forms part of an unprecedented coordinated EU response to the COVID-19 crisis, to address common European challenges by embracing the green and digital transitions, to strengthen economic and social resilience and the cohesion of the Single Market. In particular, Germany’s plan will support large-scale energy-efficiency renovations, digitalise the public administration and improve education and training across the country.

**KEY MEASURES TO SECURE GERMANY’S GREEN TRANSITION**

42% of the plan’s total allocation for reforms and investments supports climate objectives

- **Hydrogen leap**: investing in green hydrogen at all stages of the value chain to help decarbonise the German economy. **€1.5 billion**
- **Support for electric cars**: helping citizens shift to clean electric vehicles by giving financial support for more than 800,000 decarbonised vehicles. **€2.5 billion**
- **Energy efficiency in residential buildings**: financing a large-scale renovation programme to increase the energy efficiency of residential buildings. **€2.5 billion**
KEY MEASURES TO SUPPORT GERMANY’S DIGITAL TRANSITION

52% of the plan’s total allocation for reforms and investments supports the digital objectives

- Investment in microelectronics and communication technologies: contributing to a large-scale cross-border European initiative to improve the EU’s capabilities in electronics design and to deploy the next generation of low-power processors. **€1.5 billion**
- Next generation cloud infrastructures and services: contributing to a large-scale cross-border European initiative to foster the industrial deployment of smart cloud and edge solutions that are highly innovative, highly secure, energy efficient and fully compliant with data protection. **€750 million**
- Digitisation of public services: making more than 115 federal and 100 regional public services digitally available by 2022. **€3 billion**

KEY MEASURES TO REINFORCE GERMANY’S ECONOMIC AND SOCIAL RESILIENCE

- Joint programme at national and regional levels to tackle investment bottlenecks: identifying and implementing concrete proposals to shorten administrative planning and approval procedures, to standardise requirements to request financing subsidies, to accelerate housing construction and to increase the number of successful transfers of business ownership to the next generation.
- Childcare investment programme: creating 90,000 additional childcare places by building new childcare facilities and refurbishing existing ones. **€500 million**
- Support to apprentices during the crisis: sponsoring companies that keep apprentices in employment. **€725 million**
- Programme to modernise hospitals: investing in modernising hospitals to improve their digital infrastructure, emergency capacities, tele-medicine, robotics, and IT and cyber security. **€3 billion**
- Educational support for pupils: providing additional courses and mentoring to pupils including from disadvantaged groups, with a focus on core subjects and core competences to tackle the learning backlog created by the COVID-19 crisis.

IMPLEMENTATION

- None of the plan’s measures will do significant harm to the environment.
- Stakeholders should continue to be involved in the implementation of the recovery and resilience plan to ensure ownership of reforms.
- Disbursement of funds is performance-based and will reflect progress on reforms and investments set out in the plan.
- Control systems will protect against serious irregularities such as fraud, corruption and double funding.

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