

The information contained in this summary is based on the documents COM(2022) 268 final and SWD(2022) 161 final, which are the authentic documents representing the Commission's assessment of the plan.

Summary of the Commission's assessment of the Polish recovery and resilience plan

Grants: EUR 23 851 681 924; Loans: EUR 11 506 500 000

102 measures: 49 reforms and 53 investments divided into 6 components

Number of milestones and targets: 283

Climate target: 42.7 %

Digital target: 21.3 %

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

Criterion	Commission assessment	Rating A-C
2.1	<p>The RRP envisages a balanced set of reforms and investments addressing both the impact of the COVID-19 pandemic and the key structural challenges that Poland faces.</p> <p>It presents a strategy for promoting a more competitive and resilient economy, supporting economic growth in line with EU's climate and digital priorities and increasing the quality of life in Poland, notably through investments in renewable energy sources and energy efficiency, sustainable mobility, healthcare, digital technologies, and research and innovation. The plan focuses on six key policy areas: green transition, digitalisation, health, competitiveness and innovation, sustainable transport, and the quality of institutions.</p> <p>The green transition and digital transformation of the economy are at the core of the plan's policy response. The envisaged green reforms and investments aim at increasing renewable energy production, including onshore, photovoltaics and offshore energy, smart grids and renewable and low-carbon hydrogen, and energy efficiency, improving air quality and developing sustainable transport. The digital reforms and investments focus on broadband infrastructure, in particular in rural areas, developing e-services, including in the health care system, enhancing e-competences in education and training and strengthening national cybersecurity.</p> <p>The plan includes a number of relevant measures to improve the business environment and investment climate in Poland. The envisaged reforms aim to reduce the administrative and regulatory burden to businesses, to improve public finance management, as well as to enhance the role of public consultations in the law-making process, which is expected to improve regulatory quality and stability. The plan also aims to raise the standard on certain aspects of judicial protection, thereby contributing to improving the investment climate. Smart and sustainable growth is expected to be achieved also through various measures in the area of research and innovation, and by improving the dissemination of innovative solutions through education and training.</p> <p>The plan contributes to addressing a number of challenges to enhance territorial and social cohesion, mainly through efforts to modernise and increase access to hospital care, by addressing labour market challenges through improvements in vocational education and training and lifelong learning, and finally through investments in transport. The plan also includes various measures that are expected to enhance the resilience of the health and social system, for instance</p>	A

	<p>through hospital reforms, efforts to address labour market segmentation and long-term care, and investments in social housing.</p> <p>Finally, a significant part of the plan is dedicated to policies for the next generation, in particular by digitalising education and training systems and improving the labour market relevance of skills</p>	
2.2	<p>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 Poland by the Council in the European Semester in 2019 and in 2020, notably concerning investment needs in digitalisation and the green transition, as well as increasing labour market participation and labour market relevance of education and training.</p> <p>Significant reforms and investments in the energy sector are expected to support the production and use of renewable energy and alternative fuels, improve energy efficiency and adapt the economy to climate change. The measures contained in the plan are also expected to contribute to improving the innovative capacity of the Polish economy and accelerating the green and digital transitions.</p> <p>Measures also respond to the impact and risks from the COVID-19 pandemic in the area of healthcare as well as the pre-existing challenges faced by the Polish healthcare system.</p> <p>The plan presents a balanced response to recommendations to improve digital skills and promote the digital transformation of companies, public administration, as well as schools and vocational education. The plan also contributes to addressing important challenges to improve the labour market relevance of skills and increase adult learning with targeted measures.</p> <p>The plan also includes actions that aim at addressing the challenges of sustainability of transport, as well as some measures aimed at addressing the challenges related to the adequacy of pension benefits and the sustainability of the pension system, as well as challenges linked to labour market participation and segmentation.</p> <p>Finally, the plan is expected to contribute to addressing challenges related to the investment climate, notably with regard to the Polish judicial system as well as decision- and law-making processes.</p>	A
2.3	<p>The plan is expected to have a high impact on strengthening the growth potential, job creation, and economic, social and institutional resilience of Poland, contributing to the implementation of the European Pillar of Social Rights, including through the promotion of policies for children and youth, and on mitigating the economic and social impact of the COVID-19 crisis, thereby enhancing the economic, social and territorial cohesion and convergence within the Union. Simulations by the Commission services show that the plan, together with the rest of measures of the European Union Recovery Instrument, has the potential to increase the GDP of Poland by between 1,1% and 1,8% by 2026, not including the possible positive impact of structural reforms, which can be substantial.</p>	A
2.4	<p>All measures in the plan have passed the <i>ex-ante</i> assessment of the ‘do no significant harm’ principle. In addition, for some measures, the ‘do no significant harm’ principle has been reflected in the milestones and targets</p>	A

	specified in the Annex to the Commission Proposal for a Council Implementing Decision.	
2.5	<p>Reforms and investments in renewable energy sources, aimed notably at significantly increasing the capacity of onshore wind and photovoltaics, removing regulatory barriers to the development of new onshore wind capacity, developing offshore wind capacity, hydrogen technologies and alternative fuels are expected to help Poland achieve its 2030 climate and energy objectives in view of its long-term transition to a climate-neutral economy. The energy efficiency measures in the plan, including an ambitious programme of building renovations, combined with a phase-out of public support for individual coal heaters, as well as an industry decarbonisation scheme, are also expected to significantly help Poland achieve its climate and energy targets. A comprehensive package of reforms and investments in transport is expected to support electro-mobility, clean public transport of passengers, modal shift towards zero-emission railways, intermodal transport of goods, as well as road safety.</p> <p>Reforms and investments related to sustainable water management in rural areas are expected to help address the challenges Poland faces with respect to climate adaptation and to the low water retention and water shortages, including drinking water shortages. They are expected to contribute to increasing biodiversity and the adaptation capacity of rural areas to the effects of climate change, in particular drought. The measures for climate mitigation may also be beneficial to the preservation of biodiversity, as they are expected to rely on solutions restoring biodiversity.</p>	A
2.6	<p>Reforms and investments in the public administration, the economy and society envisaged in the plan are expected to contribute to the digital transformation of the country. These include improving connectivity, updating laws and infrastructures of the public administration systems, introducing electronic structured invoices and significantly improving the cybersecurity systems in the government and the crucial economic sectors. The digital transformation of the public administration is expected to incentivise the private sector to propel the digital transformation of companies.</p> <p>Reforms and investments foreseen in the area of general and vocational education and training, skills and lifelong learning are expected to promote skills relevant for the labour market and facilitate the digital and green transitions, while narrowing the digital divide with more equal access to digital infrastructure, equipment and skills in schools and among the population. They are also expected to contribute to a broader digitalisation of the education system and the development of digital skills of teachers, civil servants, citizens with insufficient digital literacy and disadvantaged groups or people at risk of social exclusion.</p>	A
2.7	<p>The plan is expected to have a lasting impact in many policy areas as well as on public administration and institutions. Notably, an ambitious reform to reduce administrative and regulatory burden, a spatial planning reform, and reforms to improve the quality of law-making by increasing the role of impact assessments and by ensuring better involvement of stakeholders in the policy and law-making process are expected to have a lasting impact on the quality of public administration. Furthermore, reforms aimed to create a regulatory</p>	A

	<p>framework for the development of renewable energy sources, in particular onshore and offshore wind farms, are expected to have a lasting impact on the decarbonisation of the Polish economy. Reforms in health care are expected to enhance the effectiveness and efficiency of the health care system and improve access to health services. Reforms on the labour market are expected to increase labour market participation, increase social protection and reduce segmentation. Reforms to improve coordination in the areas of vocational education and training, higher education and lifelong learning are set to have a lasting effect on the labour market relevance of skills and on providing opportunities for workers to adjust to labour market transitions.</p> <p>Various investments are set to support and enhance the impact of reforms in the plan, such as in the field of renewable energy.</p> <p>The lasting impact of the plan can also be enhanced through synergies between the plan and other programmes, including those financed by the cohesion policy funds, in particular by addressing in a substantive manner territorial challenges and promoting a balanced development.</p>	
2.8	<p>The milestones and targets are clear and realistic, and the proposed indicators are relevant, acceptable and robust.</p> <p>Poland has a comprehensive implementation system. The Ministry of Funds and Regional Policy, as the central coordinating body for the plan and its implementation is responsible for overall coordination, monitoring and reporting and is the single point of contact for the Commission.</p> <p>Audits will be carried out by the National Revenue Administration, in particular by the Department of Public Funds Audit at the Ministry of Finance and 16 tax administration chambers (regional offices) in the country. Individual ministries, central government authorities and other entities mandated by the competent ministries will be responsible for the implementation of reforms and investments under the plan. Poland will use a repository system for the monitoring and control of the plan and also for collecting, storing and ensuring access to data in accordance with Article 22(2)(d) of Regulation (EU) 2021/241.</p>	A
2.9	<p>Poland has provided cost estimates for all types of measures of the plan, which entail a cost. Overall, the methodology and the assumptions used to reach the cost estimates are clear and understandable, very often based on previous projects financed by the cohesion policy funds. In some cases, details on the methodology and assumptions used to make the cost estimates are limited, hindering a full positive assessment of the cost estimates. Poland has also provided detailed supporting documentation for most types of interventions to underpin the justification and the evidence of the cost estimates. Poland has provided sufficient information and assurance to ensure that the costs of the plan are not covered by other Union financing. Finally, the estimated total cost of the plan is in line with the principle of cost-efficiency and is commensurate to the expected national economic and social impact.</p>	B
2.10	<p>The arrangements proposed in the plan and the additional measures contained in the proposal for Council Implementing Decision are adequate to prevent, detect and correct corruption, fraud and conflicts of interests when using the funds provided under that Regulation, and the arrangements are</p>	A

	<p>expected to effectively avoid double funding under that Regulation and other Union programmes.</p> <p>Taking into account that effective judicial protection is a prerequisite for the functioning of an internal control system, milestones are set out for a reform strengthening the independence and impartiality of courts, a reform to remedy the situation of judges affected by the decisions of the Disciplinary Chamber of the Supreme Court in disciplinary cases and judicial immunity cases, with a view to their reinstatement following positive review proceedings by the new Chamber, to be conducted without delay, and a reform ensuring an effective audit and control of the plan, including protection of the financial interests of the Union. Poland should fulfil those milestones before the submission of the first payment request and no payment under the Facility may be made before their fulfilment.</p>	
2.11	<p>Reforms and investments have been linked to the priority areas identified in the plan and, on this basis, they have been structured in six complementary components of the plan. In particular, in the area of clean energy production, sustainable transport and digitalisation, reforms and investments show a high degree of synergies and complementarity. Some reforms are expected to have a cross-cutting impact on the quality and effectiveness of legislation in all areas, such as reforms in the law-making process. Complementarities with support under the cohesion policy funds are presented in the components of the plan and summarised at the level of the plan.</p>	A

2. Horizontal principles and additionality

Horizontal principle	Commission assessment
Complementarity with EU programmes 2021-2027	As Poland is the largest beneficiary of Cohesion Policy funding in the EU, significant complementarities are visible and generally spelled out in the text, but the level of details varies across the components and effective monitoring and implementation will be crucial. Both levels of programming documents, namely the Partnership Agreement and Programmes (2021 – 2027) are currently subject to negotiations. An overall description of complementarities accompanied by RRF/ESIF synergy tables at the horizontal level offers a first overview of intended complementarities per areas covered by both funds. This is complemented by a mechanism to avoid double funding, which appears to be reasonable, but needs to be effectively implemented in close cooperation between responsible actors under both funds. All potential ESIF investments indicated in the plan are still subject to negotiations with the Commission and cannot be prejudged on the basis of the text in the plan.
Principle of additionality	The plan provides information on other sources of EU financing where relevant and sufficient assurance that the same type of cost will not be financed from several sources of EU funding.
Recurring costs	The plan does include some operational costs which cannot be considered as recurring because their nature is temporary and exclusively limited to the achievement of the relevant investment or reform.

3. Reply to the European Parliament's questions

Contribution to equality and gender equality: Poland indicated in the plan that horizontal principles guide all initiatives under the plan, in line with the European Pillar of Social Rights. Poland described the impact of the COVID-19 crisis on various groups and the challenges related to gender equality and equal opportunities for all, in particular in view of labour market needs. The plan contains specific measures to address equality challenges, for instance by increasing the quality and availability of childcare facilities to facilitate the labour market participation of women. Poland has indicated that a pre-screening of different projects was made with equality criteria in mind, and that certain projects that were proposed were not included in the plan as they did not meet accessibility criteria for persons with disabilities or were otherwise not compliant with equality principles. Poland stressed that the principles of gender equality and equal opportunities for all will be taken into account at every stage of the management and implementation of the plan. Finally, the monitoring committee tasked to supervise the effective implementation of the plan will notably include representatives of bodies representing the civil society and promoting fundamental rights and non-discrimination.

Contribution to high-quality employment creation: The plan include measures that aim at improving the resilience of the labour market, by improving the quality and adequacy of the functioning of labour market institutions, reaching out to and activating older workers or people from disadvantaged groups through upskilling and reskilling programmes, promoting flexible forms of employment, contributing to improving the labour market participation of women through more flexible forms of employment, including remote work, and increasing access to and quality of early childhood education and care. The plan also envisages incentives to remain active in the labour market after reaching the statutory retirement age. The plan presents a strategy for promoting a more competitive and resilient economy, supporting economic growth.

Contribution to the implementation of the European Pillar of Social Rights: The plan addresses several social and territorial challenges relevant for Poland and contributes to the implementation of the European Pillar of Social Rights. It includes measures on the availability and quality of childcare, digitalization of schools and development of digital skills, on vocational training and adult learning, and on health and long-term care and access to public services. Upskilling and reskilling of the population, better coordination of policies and territorial coverage are specifically mentioned as objectives of several measures, including those related to the digitalisation of schools.

Addressing regional disparities: The Recovery and Resilience Plan of Poland includes a number of measures aimed at reducing territorial and economic disparities. The socio-economic consequences of the pandemic are likely to be unevenly distributed across regions due to different specialization patterns. This entails a risk of widening territorial disparities within Poland. Improved coordination of vocational education and training, higher education and lifelong learning in the regions may contribute to addressing existing weaknesses. Some of the measures included in the plan in the area of healthcare may also contribute to alleviate social and territorial disparities. Addressing territorial disparities is also among the objectives of the digital component, with measures dedicated to promoting the development of network infrastructure, a focus on increasing access to high-speed internet services in white next-generation-access (NGA) areas and to strengthening the digitalisation of public services. Finally, investments related to the green transition in the plan could have beneficial effects on social and territorial cohesion mainly via creating new and more accessible job opportunities.

Contribution to upward economic and social convergence: The plan contains several measures in priority areas, namely energy and resource efficiency, education and skills, health, transport, labour market participation, that are expected to contribute to upward economic and social convergence. For example, the tax and social security reforms foreseen in the plan may have a beneficial impact on the

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labour market. Measures in the field of vocational education and training should help improve the matching of skills with labour market needs at national and regional levels.

Contribution to CSRs on taxation: While Poland had no CSR on taxation specifically, the tax reform contained in the plan aims to positively contribute to employment, in particular via labour supply, addressing crucial demographic challenges including a shrinking working-age population. Lowering income tax for those who reached the retirement age but do not retire and continue working creates an incentive to extend careers and increase the effective retirement age.

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Annex

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
<i>A - Resilience and competitiveness of the economy</i>	○	○	●	○		○
<i>B - Green energy and energy intensity reduction</i>	●	○	○	○		
<i>C - Digital transformation</i>		●			○	○
<i>D - Efficiency, accessibility and quality of the health system</i>		○	○		●	
<i>E – Green, smart mobility</i>	●	○	○	○		
<i>F – Improving the quality of institutions and the conditions for the implementation of the RRP</i>			○		○	

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

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

Country challenges (as identified in Section 2)	Associated CSR (2019- 2020) and European Semester recommenda tions	Component A – Resilience and competitiveness of the economy	Component B – Green energy and energy intensity reduction	Component C – Digital transformation	Component D – Efficiency, accessibility and quality of the health system	Component E – Green, smart mobility	Component F – Improving the quality of institutions and the conditions for the implementation of the RRP
Transition towards a higher value-added economy	2019.3.1, 2019.3.2, 2020.2.4a, 2020.3.3	●	○	●		○	
Tackling structural deficiencies in Poland's social services, labour market and education system	2019.2.2a, 2019.2.2b, 2019.2.2c, 2019.2.3, 2019.3.2, 2020.1.3, 2020.2.1, 2020.2.2, 2020.2.3	●		●	●		
Ensuring a favourable business and investment environment	2019.3.1, 2019.3.3, 2020.2.4b, 2020.3.1, 2020.4.1, 2020.4.2	○	○	○		○	○
Safeguarding sound public finances	2019.1.2, 2019.2.1, 2020.3.2a	●					
Green transition	2019.3.2, 2020.3.3		●			●	
Digital transition	2019.3.2, 2020.2.3, 2020.2.4a, 2020.2.4b, 2020.3.3	○	○	●	○	○	

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