



# RRF 1st Payment request – Czechia

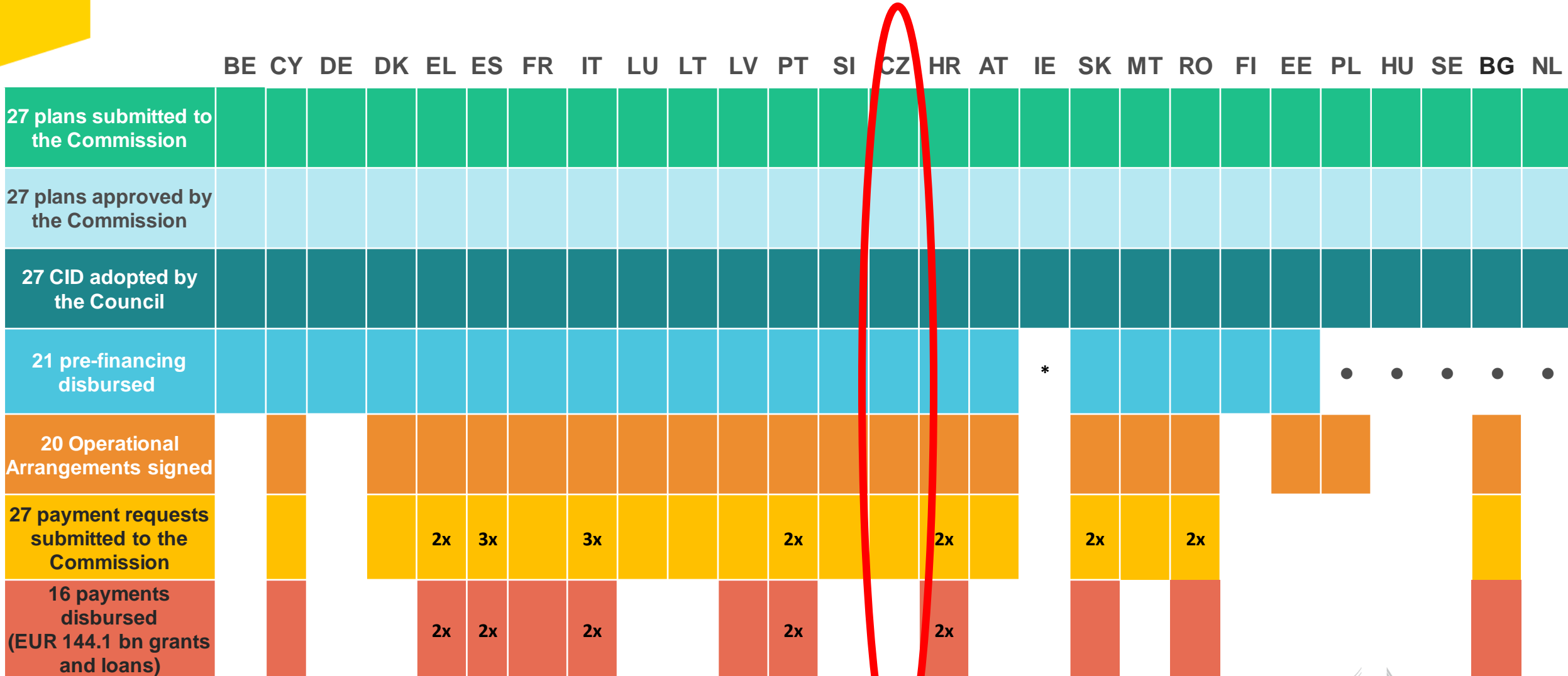
Positive preliminary assessment by the Commission



*EPC meeting – 16/02/2023*

# Process and state of play

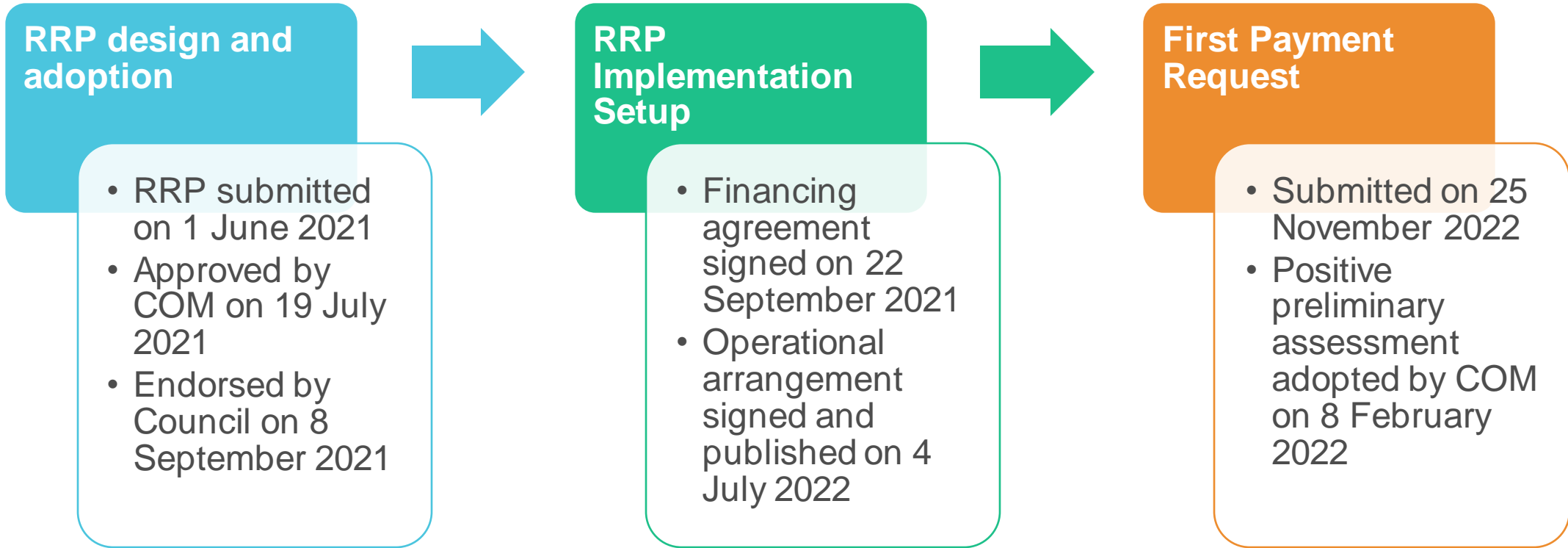
# State of play on implementation



\* No pre-financing requested.

• Prerequisite to request pre-financing: CID was adopted by 31 December 2021.

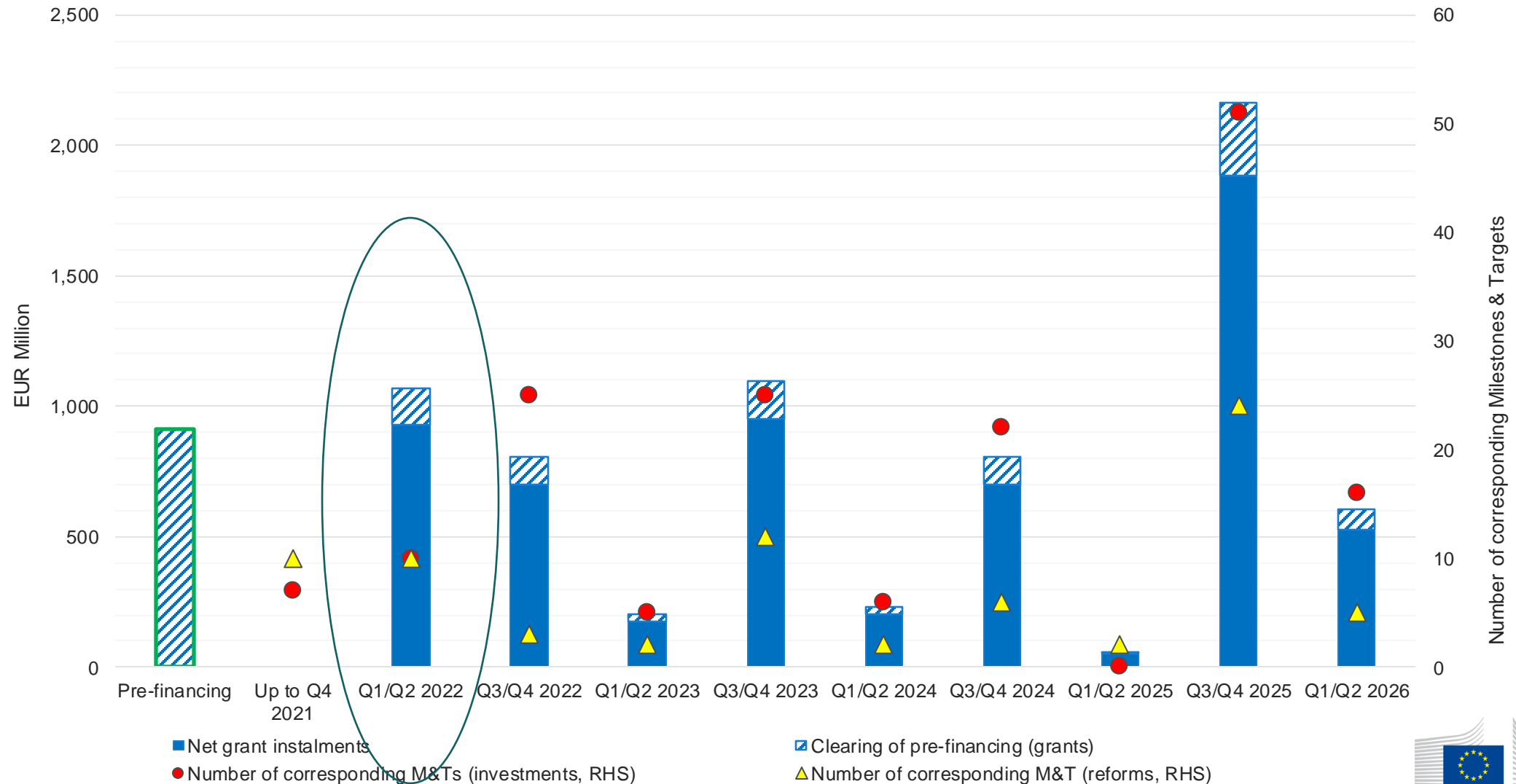
# Timeline of Czechia's RRP implementation



# First payment request: overview

# Overview of payment requests Czechia

(real or expected time of payment requests at the time of the adoption of the plan)



# Overview of Czechia's first payment request



**31** milestones  
**6** targets



**25** measures  
**12** reforms and  
**13** investments



measures generally  
implemented until  
**Q2-2022**



**€ 928,19**  
**million** (grants)

# Czechia's first payment request's key measures

## Key Reforms:

### Digital Transition

- Entry into force of the new Construction Law

### Green Transition

- Adoption of Czechia's 2040 Circular Economy Strategy

### Policies for the Next Generations

- Reform of schools curricula to strengthen digital literacy

### Social and Territorial Cohesion

- Establishment of the tripartite Re-skilling and Upskilling Committee

### Health, and Economic, Social, and Institutional Resilience

- Judicial reform on selection of judges, Implementation of action plan on Conflict of Interest, Review of legal framework on the registration of beneficial owners

## Key Investments :

### Digital Transition

- Digital devices for schools, European Digital Media Observatory hub

### Green Transition

- Construction of 25 km cycle paths
- Selection of projects for electrification of railways, modernisation of railway stations and flood protection

### Smart, Sustainable and Inclusive Growth

- Funding Agreement with the Czech-Moravian Guarantee and Development Bank
- Contracts award to four R&D consortia

### Social and Territorial Cohesion

- Road and rail safety: completion of 45 railway crossings, 3 railways bridges, 25 km of cycle paths, sidewalks and barrier-free routes





# Green Transition (6 milestones and 1 target)

[C2.1]-I[I2]-M[86]: Definition of the set of projects for Investment 2 (Electrification of railways)

[C2.2]-I[I2]-M[105]: Adoption of programme documentation by the Ministry of Industry and Trade regarding measures to renovate public lightning systems

[C2.6]-I[I2]-M[134] and T[135]  
List of projects and completion of 50% of the small watercourses and water reservoirs projects



C[C2.2]-I[I1]-M[102]: Adoption of the model contract for the Energy Performance Contracting method services with a guarantee

C[C2.6]-I[I1]-M[131]:  
Notification of award of flood protection contracts

C[C2.7]-R[R2]-M[146]:  
Completion and adoption of the circular Czechia strategy 2040

# Digital Transition (6 milestones and 1 target)

C[C1.1]-R[R2]-M[3]: Definition of interoperability for eHealth and definition of rules governing telemedicine



C[C1.2]-I[I4]-M[29]: Analysis of data management and use of data in the justice sector and the deployment of a data warehouse



C[C1.4]-I[I2]-M[51]: Launch of the European Digital Media Observatory hub for CEE in the Czech Republic



C[C1.5]-R[R1]-M[68]:  
Creation of Platform for the digitisation of the economy



C[C1.6]-R[R1]-M[72]:  
Entry into force of the new construction law



C[C2.1]-I[I1]-M[83]: Definition of the set of projects for Investment 1 (railway infrastructure)

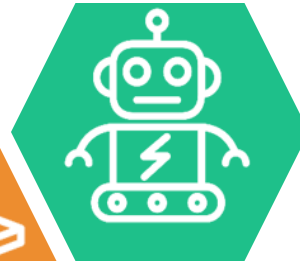


C[C3.1]-I[I2]-T[172]: Number of digital devices purchased by schools for distance learning



# Policies for the Next Generations (2 milestones)

[C3.2]-R[R1]-M[176]: Launch of a programme to support transformation of universities



[C3.1]-R[R1]-M[168]: Approval of new curricula strengthening digital literacy and computational thinking

# Smart, Sustainable and Inclusive Growth (5 milestones and 1 target)

[C4.2]-R[R1]-M[198]:

Adoption of the medium-term strategy of the Czech-Moravian Guarantee and Development Bank (ČMZRB) approved by the bank's shareholders

[C4.2]-R[R1]-M[199]: Delivery of a management model for the new quasi-equity instrument

[C4.2]-I[I1]-M[200]:

Funding agreement with the Czech-Moravian Guarantee and Development Bank as a National Development Bank (ČMZRB)



[C5.2]-R[R1]-M[226]:

Establishment of National Coordination Group for Support for Industrial Research

[C5.1]-I[I1]-M[223]: Launch of a new R&D support program

[C5.1]-I[I1]-T[224]:

Award of public contracts to at least four R&D consortia

# Social and Territorial Cohesion (2 milestones and 3 targets)

[C2.1]-I[I4]-T[92]: Completion of level crossings with an increased safety

[C2.1]-I[I4]-T[93]: Completion of 25 km of built cycle paths

[C2.1]-I[I4]-T[94]: Completion of three modernised railway bridges



[C3.3]-R[R1]-M[184]: Establishment of the tripartite Re-skilling and Upskilling Committee

[C2.1]-I[I3]-M[89]: Definition of the set of projects for Investment 3 (railway infrastructure)

# Resilience (1) - Audit and control - 8 milestones

[M 207 and 210] **Repository system** for monitoring the implementation of the RRF and the procedures for data collection

[M 212] **Compliance review** of the national procedures on the application of the **beneficial ownership rules**

[M 211] **Audit strategy** ensuring independent and effective audit of the RRF implementation



[M 208 and 209] Effective development and implementation of the **action plan** on the system that is intended to be used for the Plan in the area of conflict of interests by the Ministry of Industry and Trade confirmed by the audit report

[M 213] **Guidance** and procedures on the avoidance and management of conflict of interests

[M 214] **Independent audit** of the effectiveness of the RRF internal control system to prevent, detect and correct situations of conflict of interests

# Resilience (2) (2 milestones)

[C6.2]-R[R1]-M[236]:  
National Oncological  
Programme of the Czech  
Republic 2022-2030



[C4.3]-R[R2]-M[203]:  
Entry into force of the  
Courts and Judges Act

# Next steps

In the implementation of the Czech RRP



# Next steps

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## CZ payment request – planned calendar

EFC (and EPC) discussions (3 weeks)	10 February - 1 March (Friday-Wednesday)
Comitology meeting	9 March (Thursday)

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- The Commission has sent its preliminary assessment of Czechia’s fulfilment of the milestones and targets required for this payment to **the Economic and Financial Committee** (EFC), asking for its opinion.
- This will be followed up by detailed **discussions with the Member States** in the EFC. The EFC’s opinion is to be delivered within maximum four weeks.
- Once the examination by the EFC is completed, the Commission would be in position to **adopt a decision** which, taken account of the EFC opinion, will authorise the disbursement of the financial contribution and disburse **€928.2 million** to Czechia.
- The examination **comitology procedure** will be used for this adoption.

# Thank you

More information: [Commission webpage on the RRF](#)

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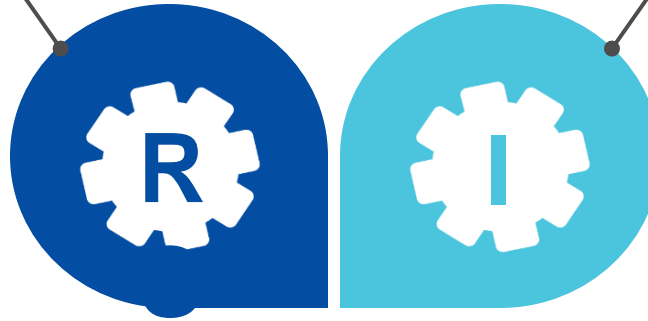
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# Key measures in 2022/2023

## Reforms

- Modernisation of distribution of heat in district heating systems
- Centers of competence for supporting eGovernment, Cybersecurity and eHealth
- Improving the environment for the deployment of electronic communications networks
- Creating alternatives to energy and space-intensive road transport



## Investments

- Building forests resilient to climate change
- Building recycling infrastructure
- Aid for research and development in the environmental field
- Digital services for end users
- Development of open data and public data
- Development of core registers and facilities for eGovernment
- Cyber security
- Creating the conditions for digital justice
- European Blockchain Services Infrastructure (EBSI) – DLT bonds for SME financing
- Improving the environment (railway infrastructure support)
- Protection against droughts and floods of the city of Brno
- Building and establishment of the Czech Oncological Institute

# Timeline of measures under the 1st payment

	Payment request								
	1	2	3	4	5	6	7	8	9
	2022-Q4	2023-Q3	2023-Q3	2024-Q1	2024-Q3	2025-Q1	2025-Q3	2026-Q1	2026-Q3
CZ-C[C1.1]-R[R2]	M3							T4-6	
CZ-C[C1.2]-I[I4]	M29	T30				T31			
CZ-C[C1.4]-I[I2]	M51						T52		
CZ-C[C1.5]-R[R1]	M68								
CZ-C[C1.6]-R[R1]	M72			M73				T74	
CZ-C[C2.1]-I[I1]	M83				T84	T85			
CZ-C[C2.1]-I[I2]	M86		T87	T88					
CZ-C[C2.1]-I[I3]	M89	T90		T91					
CZ-C[C2.1]-I[I4]	T92;93;94	T95-97	T99	T100;101		T98			
CZ-C[C2.2]-I[I1]	M102			T103				T104	
CZ-C[C2.2]-I[I2]	M105					T106		T107	
CZ-C[C2.6]-I[I1]	M131	T132		T133					
CZ-C[C2.6]-I[I2]	M134 T135			T136					
CZ-C[C2.7]-R[R2]	M146							M147	
CZ-C[C3.1]-R[R1]	M168							M169	
CZ-C[C3.1]-I[I2]	T172				T174			M173	T175
CZ-C[C3.2]-R[R1]	M176								T177;178
CZ-C[C3.3]-R[R1]	M184			M186				M185 T188	
CZ-C[C4.2]-R[R1]	M198;199								
CZ-C[C4.2]-I[I1]	M200							T201	
CZ-C[C4.3]-R[R2]	M203					M204			
CZ-C[C4.3]-R[R5]	M207-214								
CZ-C[C5.1]-I[I1]	M223 T224							T225	
CZ-C[C5.2]-R[R1]	M226								
CZ-C[C6.2]-R[R1]	M236								

Milestone  
Target

20 of the 25 measures under the first payment request are followed by subsequent M&Ts

# Czechia's second and third payment requests



SECOND PAYMENT REQUEST	Investments	Reforms	Total
Non-repayable support (expected submission in Q3 2023)	22	3	25



THIRD PAYMENT REQUEST	Investments	Reforms	Total
Non-repayable support (expected submission in Q3 2023)	5	2	7

- 2nd payment request: 18 milestones + 10 targets / 3rd payment request: 4 milestones + 3 targets
- 2nd instalment: EUR 702 million + EUR 175.5 million (2nd + 3rd requests combined)
- **Key reforms and investments:** energy, adaptation to climate change, R&D, sustainable transport, digitalisation, health system

# Timeline and process of payment requests

