



**Next
Gen
EU** 

RECOVERY AND RESILIENCE FACILITY

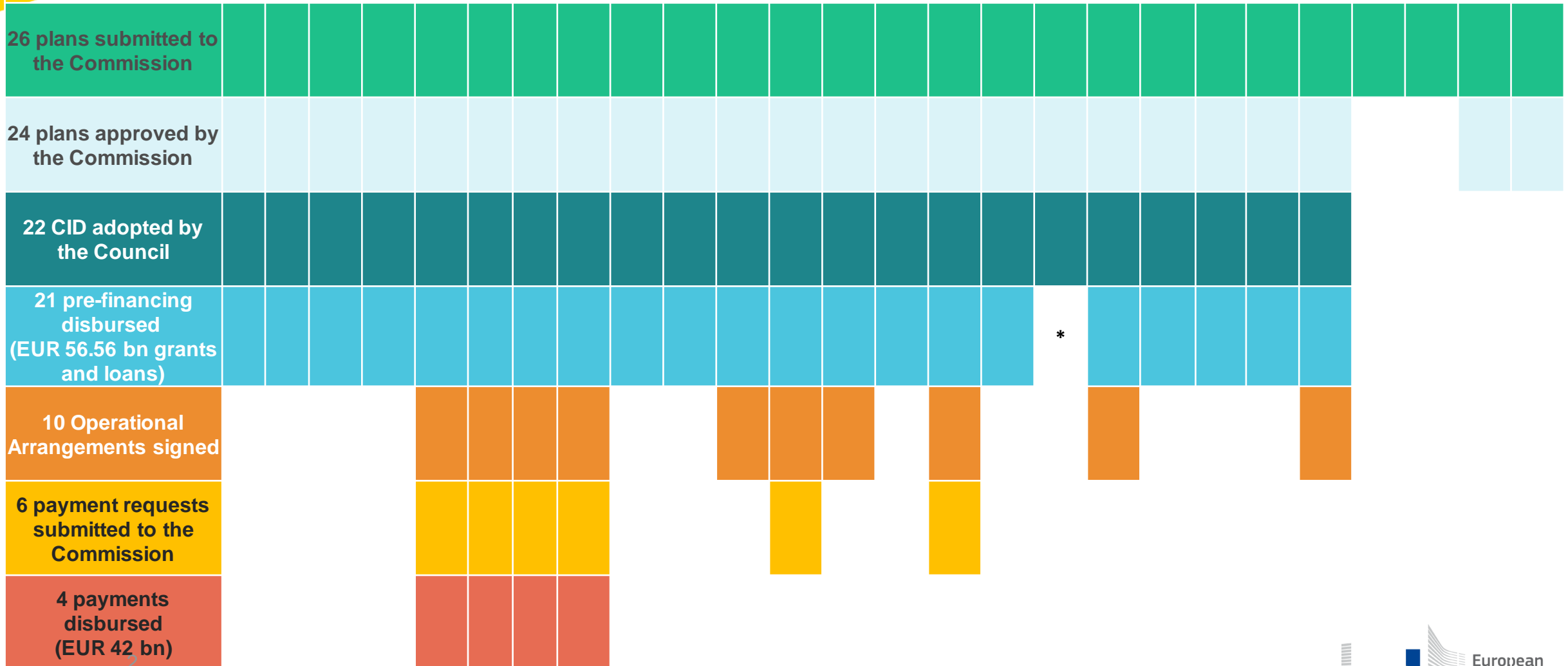
**Follow-up to the RRF and the European
Semester: Lessons learned and way
forward**

20 April 2022

State of play on implementation



BE CY DE DK EL ES FR IT LU LT LV PT SI CZ HR AT IE SK MT RO FI EE PL HU SE BG NL



* No pre-financing requested

Payment requests so far



Member State	Requested amount (grants and/or loans)	Reforms and/or investments	Number of milestones and/or targets	Submission date	Status quo	Disbursement date
ES	EUR 10 bn (grants)	Mainly reforms	52 milestones	11 November	Positively assessed	27 December
FR	EUR 7.4 bn (grants)	Reforms and investments	38 milestones and targets	26 November	Positively assessed	4 March
EL	EUR 3.6 bn (grants: 1.7 bn; loans: 1.8 bn)	Reforms and investments	15 milestones	29 December	Positively assessed	8 April
IT	EUR 21 bn (grants: 10 bn; loans: 11 bn)	Reforms and investments	51 milestones and targets	30 December	Positively assessed	13 April
PT	EUR 1.3 bn (grants: 636 mn; loans: 700 mn)	Reforms and investments	38 milestones and targets	25 January	RRF comitology committee has to provide opinion	
HR	EUR 700 mn (grants)	Reforms and investments	34 milestones and targets	15 March	COM preliminary assessment ongoing	

European Semester: 2022 cycle

- **2022 Annual Sustainable Growth Survey** outlines the policy priorities in the coming year and provides guiding principles for implementation.
- 2022 Semester marks a gradual **shift in economic policy coordination**:
 - From management of the COVID-19 crisis towards sustainable recovery post-COVID;
 - Now focus is on ensuring a transformational and inclusive recovery and stronger resilience – starting from the implementation of the Recovery and Resilience Plans;
 - Identifying and addressing outstanding and newly emerging challenges, including the current geopolitical situation.
- The policy priorities are structured around the four dimensions of competitive sustainability and in line with the **Sustainable Development Goals**.

2022 Semester cycle

What remains

- Compass: **competitive sustainability**
- Facts based assessment of economic and social challenges
- **Dialogue** with stakeholders

What changes

- **Gap analysis** with RRPs
- Stronger MS focus
- **Content** of the Spring Package
- Readability of documents

European Semester: Gap analysis



Country Reports are the analytical basis for the 2022 country-specific recommendations. They identify country-specific vulnerabilities and priority reforms and investments, inter alia with a view to reduce dependency on Russian fossil fuels.

Section 1: Economic Snapshot

providing a
macro-picture in
each country,

taking into
account
spillover effects
of the Russian
invasion

Section 2 The RRP is underway

taking stock on
RRP
implementation

Section 3: Further Priorities Ahead

looking at
further key
priorities ahead
beyond RRP
measures,

taking into
account energy-
related
challenges

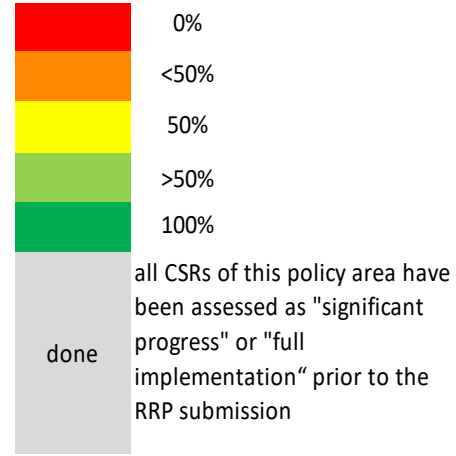
**Any gap identified
can be translated
into additional
reforms and
investments to be
financed by the RRF.**

European Semester – CSRs

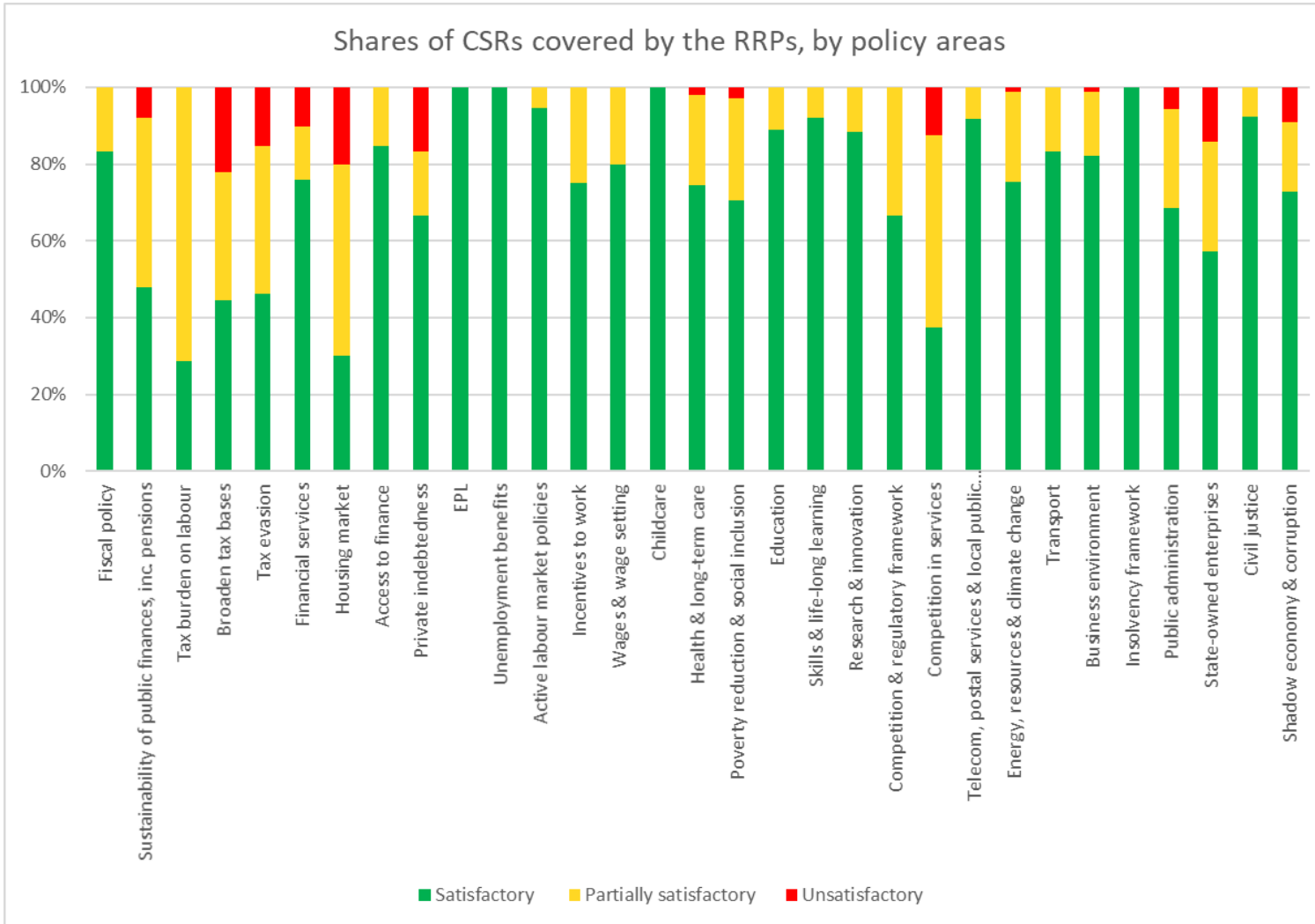
- National Recovery and Resilience Plans address most of past CSRs
 - Focus on delta between the (still relevant) CSRs and the RRP
 - Parsimonious approach to deliver tangible results
- New challenges have arisen
 - Russian invasion of Ukraine, energy dependency and economic impact
- MS without an adopted plan

Coverage of Country-specific recommendations (I)

Broad Category	Public finances & taxation						Financial sector				Labour market, education & social policies										Structural policies					Public administration & business environment								
	Fiscal policy & fiscal governance	Long-term sustainability of public finances, inc. pensions	Reduce the tax burden on labour	Broaden tax bases	Reduce the debt bias	Fight against tax evasion, improve tax administration & tackle tax avoidance	Financial services	Housing market	Access to finance	Private indebtedness	Employment protection legislation & framework for labour contracts	Unemployment benefits	Active labour market policies	Incentives to work, job creation, labour market participation	Wages & wage setting	Childcare	Health & long-term care	Poverty reduction & social inclusion	Education	Skills & life-long learning	Research & innovation	Competition & regulatory framework	Competition in services	Telecom, postal services & local public services	Energy, resources & climate change	Transport	Business environment	Insolvency framework	Public administration	State-owned enterprises	Civil justice	Shadow economy & corruption		
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LV																																		
MT																																		
PT																																		
RO																																		
SE		done																																
SI																																		
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Coverage of Country-specific recommendations (II)



- Mapping by policy areas on shares of country-specific recommendations covered by the Recovery and Resilience Facility
- Based on 23 Recovery and Resilience Plans (22 adopted by the Council + SE positively endorsed by the Commission)*
- **Very high coverage** in the area of social policies, education and labour market
- **Good coverage** in area of business environment
- **Areas for improvement:** taxation and housing market

European Semester: an agile framework to address new challenges

- Current Semester cycle will **address outstanding and newly emerging challenges** for our economies by identifying ways to:
 - accelerate our **transition to clean energy** and
 - **reduce dependency from fossil energy sources**
- Coordinated response: implementation of RRP is **interlinked with the energy policies** connected to the **REPowerEU plan**

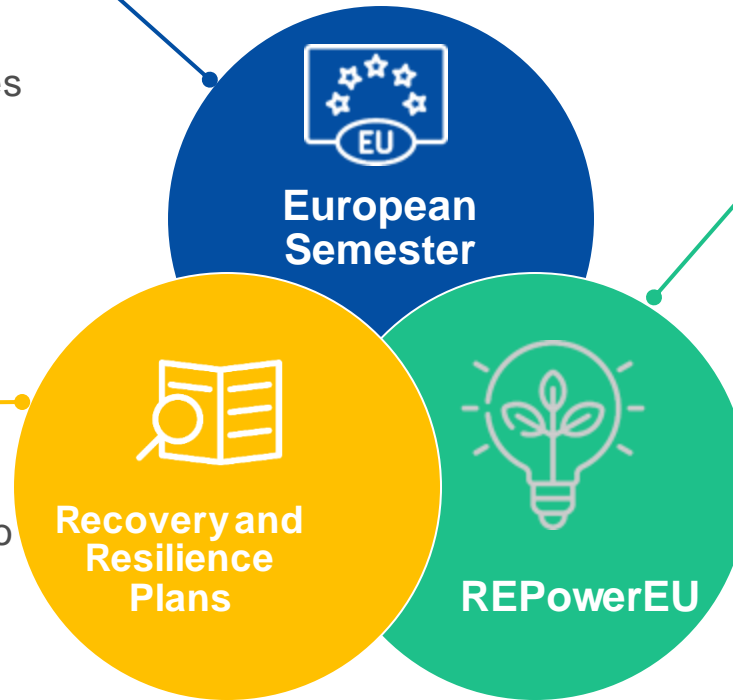
REPowerEU: RRF and European Semester

European Semester

- Country Report: identifying challenges linked to REPowerEU
- Country-specific recommendations: translating the EU-wide REPowerEU objectives in national objectives

Recovery and Resilience Plans

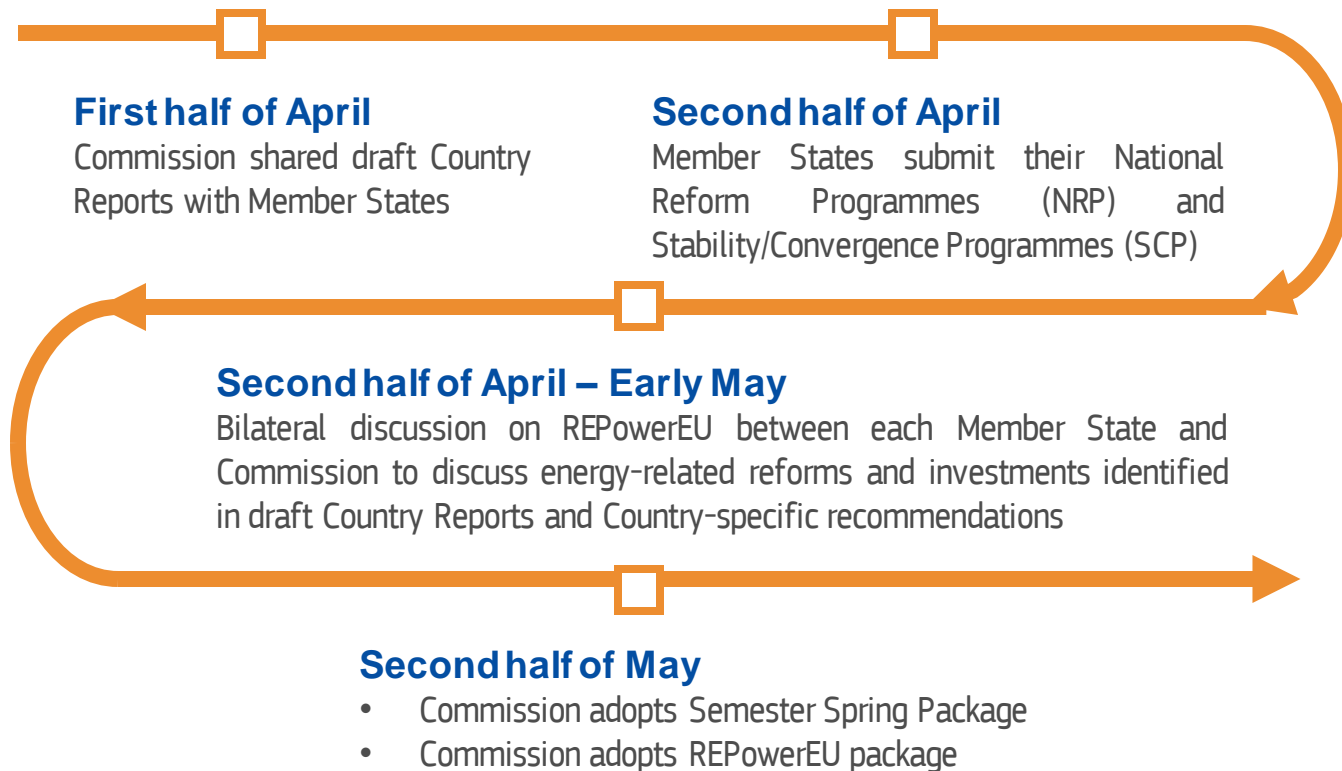
- Additional reforms and investments to address REPowerEU objectives
- CSRs are the basis for preparing the RRP: each plan needs to address all or a significant subset of challenges identified in the relevant CSRs



REPowerEU

- Diversifying of supplies: higher levels of biomethane and hydrogen, higher LNG imports and pipeline imports from non-Russian suppliers
- Accelerating the reduction of EU's dependence on fossil fuels: increasing energy efficiency in buildings and industry, increasing the share of renewables

European Semester 2022: indicative calendar



Adoption of the European Semester documents by Council envisaged for July 2022.