European Commission - Press release





NextGenerationEU: European Commission endorses Slovenia's €2.5 billion recovery and resilience plan

Brussels, 1 July 2021

The European Commission has today adopted a positive assessment of Slovenia's recovery and resilience plan, a key step paving the way for the EU to disburse €1.8 billion in grants and €705 million in loans under the Recovery and Resilience Facility (RRF). This financing will support the implementation of the crucial investment and reform measures outlined in Slovenia's recovery and resilience plan. It will play a key role in enabling Slovenia to emerge stronger from the COVID-19 pandemic.

The RRF is at the heart of NextGenerationEU which will provide €800 billion (in current prices) to support investments and reforms across the EU. The Slovenian 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.

The Commission assessed Slovenia's plan based on the criteria set out in the RRF Regulation. The Commission's analysis considered, in particular, whether the investments and reforms set out in Slovenia's plan support the green and digital transitions; contribute to effectively addressing challenges identified in the European Semester; and strengthen its growth potential, job creation and economic and social resilience.

Securing Slovenia's green and digital transitions

The Commission finds that Slovenia's plan devotes 42% of its total allocation to measures that support climate objectives. Measures to support securing Slovenia's green transition include investments to promote renewables, increase the energy efficiency and seismic renovation of buildings, promote climate change adaptation, and upgrade rail infrastructure.

The Commission finds that the Slovenia's plan devotes 21% of its total allocation to measures that support the digital transition. These include efforts to digitalise the public administration, investments in connectivity and digital skills and for the digitalisation of businesses.

Reinforcing Slovenia's economic and social resilience

The Commission considers that the Slovenian 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 Slovenia by the Council in the European Semester in 2019 and in 2020. It includes important reforms on long-term care, healthcare, pensions and labour market, education and skills, R&D and innovation, business environment and public procurement.

The plan represents a comprehensive and adequately balanced response to Slovenia's economic and social situation, thereby contributing appropriately to all six pillars referred to in the RRF Regulation.

Supporting flagship investment and reform projects

The Slovenian plan proposes projects in seven European flagship areas. These are specific investment projects, which address issues that are common to all Member States in areas that create jobs and growth and are needed for the twin transitions. For instance, as part of the reskill and upskill flagship, Slovenia has proposed to provide €114 million to strengthen digital skills and competences of students, employees and public servants, either as part of the modernisation of the education system or through life-long learning.

The assessment also finds that none of the measures included in the plan significantly harm the environment, in line with the requirements laid out in the RRF Regulation.

The control systems put in place by Slovenia are considered adequate to protect the financial interests of the Union. The plan provides sufficient details on how national authorities will prevent,

detect and correct instances of conflict of interest, corruption and fraud relating to the use of funds.

Members of the College said:

President Ursula **von der Leyen** said: "Today, the European Commission has decided to give its green light to Slovenia's recovery and resilience plan. It combines investments for the green and digital transitions, with reforms of long-term care, healthcare, and pension systems for the benefit of all Slovenian citizens. I am proud that NextGenerationEU will provide €2.5 billion in financing to make this possible."

Valdis **Dombrovskis**, Executive Vice-President for an Economy that Works for People, said: "This forward-looking recovery plan will help Slovenia to emerge stronger after the crisis and get onto a greener and more digital path. From its commitment to boost energy-efficiency and the seismic renovation of buildings to digital transformation of its public administration and healthcare systems, these investments will benefit Slovenia's economy and society for many years to come. There is also a strong social dimension, with reforms to national pension and healthcare and care sectors to improve social protection, along with skills-enhancement programmes and better access to affordable housing. We welcome the coherent mix of reforms and investments that should produce real change in Slovenia. Now it is time to put it into practice."

Paolo **Gentiloni**, Commissioner for Economy, said: "Slovenia begins its presidency with the good news that the Commission has approved its recovery and resilience plan: an extensive programme of investments and reforms that will deliver real benefits for the Slovenian people for years to come. The plan will give a significant boost to public investment. It contains no fewer than 50 initiatives ranging from building renovations to the improvement of water systems and from upgraded rail infrastructure to the digitalisation of public services. I particularly welcome the commitments to strengthen the health system and boost the supply of affordable housing. Last but not least, Slovenia's competitiveness will be enhanced by measures to increase competition, modernise in public procurement, strengthen capital markets and reduce the administrative burden."

Next steps

The Commission has today adopted a proposal for a decision to provide ≤ 1.8 billion in grants and ≤ 705 million in loans to Slovenia under the RRF. The Council will now have, as a rule, four weeks to adopt the Commission's proposal.

The Council's approval of the plan would allow for the disbursement of $\[\le \]$ 231 million to Slovenia in pre-financing. This represents 13% of the allocated grant amount for Slovenia.

The Commission will authorise further disbursements based on the satisfactory fulfilment of the milestones and targets outlined in the recovery and resilience plan, reflecting progress on the implementation of the investments and reforms.

For More Information

Questions and Answers: European Commission endorses Slovenia's €2.5 billion recovery and resilience plan

Recovery and Resilience Facility: Questions and Answers

Factsheet on Slovenia's recovery and resilience plan

<u>Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Slovenia</u>

Annex to the Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Slovenia

Staff-working document accompanying the proposal for a Council Implementing Decision

Recovery and Resilience Facility

Recovery and Resilience Facility Regulation

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