



EU-Post COVID 19 Recovery

Horizontal observations on the national recovery and resilience plans



EFC, 23-06-2021

State of play

Submission and assesment of plans

State of play – Submissions of National plans

12 Plans before or on 30 April

Portugal
Spain
France
Germany
Slovakia
Latvia
Denmark
Greece
Luxembourg
Austria
Italy
Belgium

12 Plans submitted after 30 April or with an extension request

Poland*
Slovenia*
Croatia*
Hungary
Cyprus
Lithuania
Finland
Sweden*
Ireland
Czechia
Romania*
Estonia*

3 Other plans

Malta
Bulgaria
Netherlands

* Plans submitted with an extension of the assessment period

State of play: Commission assessments

Proposal for a Council Implementing Decision (CID)

- Legal agreement between the European Union and Member States on the plan
- To be adopted by the Council
- Adoption will unlock 13% pre-financing












Annex to the Proposal for a Council Implementing Decision

- Outline of the reforms and investments and their timeline for implementation (milestones and targets)
- “Roadmap and timeline” for implementation, which will trigger regular disbursements

Staff Working Document

- Outline and detailed explanations of the findings of the CID
- Annex listing the climate and digital contributions per investment

Assessment criteria and key elements

 <p>1. Balanced response</p>	 <p>2. Addresses challenges identified in CSRs</p>	 <p>3. Growth, resilience and social impact</p>	 <p>4. Do no significant harm</p>
 <p>5. Green transition</p>	 <p>6. Digital transition</p>	 <p>7. Lasting impact</p>	 <p>8. Effective monitoring and implementation</p>
 <p>9. Reasonable and plausible cost estimates</p>	 <p>10. Robust control systems</p>	 <p>11. Coherence</p>	

Consultation

Member States have to explain how the relevant national stakeholders have been involved in preparation of RRP.

Equality

Member States have to explain how the RRP contribute to gender equality and equal opportunities for all.

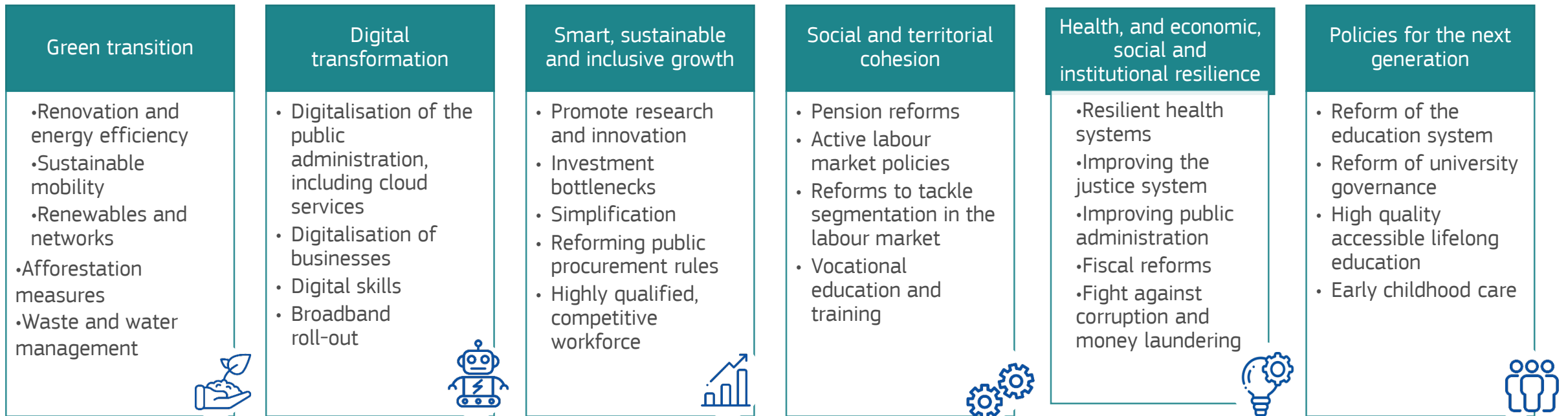
Security

Member States provide a security self assessment, where appropriate, for investments in digital capacities

Observations on submitted National Recovery and Resilience Plans

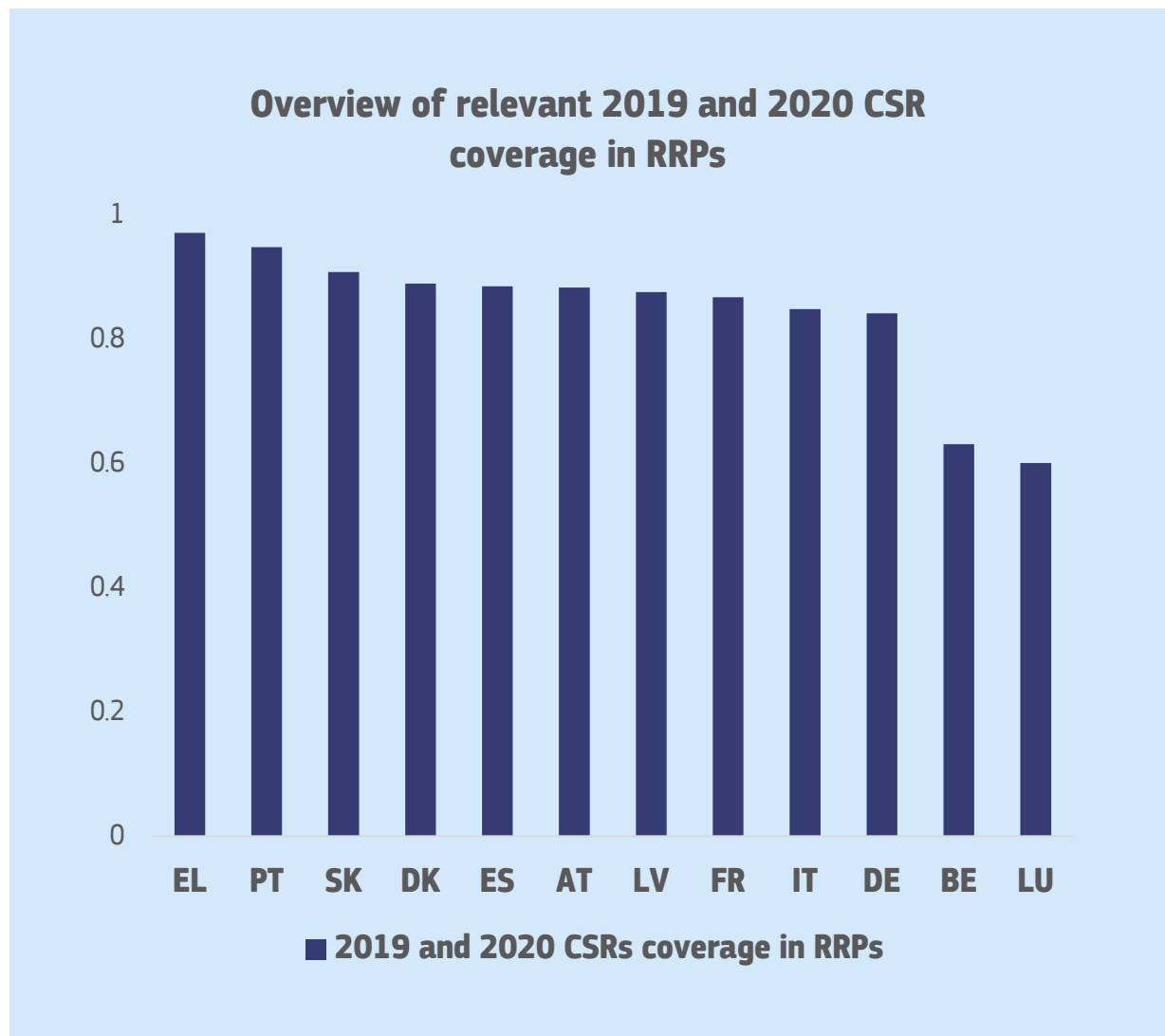
Observations on the submitted plans

Boosting growth, economic, social and territorial cohesion and prosperity for all



- Each of the 24 plans covers all of the six policy pillars to varying degrees.
- The Commission's Staff Working Document entails a section and table relating measures to the six pillars.

Observations on the submitted plans: CSR coverage



- According to the RRF regulation, the plans should **effectively address all or a significant subset of challenges** identified in the relevant country-specific recommendations (CSRs).
- The relevant CSRs concern **both 2019 CSRs** of a more structural nature **and 2020 CSRs**, much more focused on the immediate response to the crisis.
- When taking the relevant 2019 and 2020 CSRs together, **all 12 RRP address all or a significant subset of challenges** identified in the relevant CSRs.

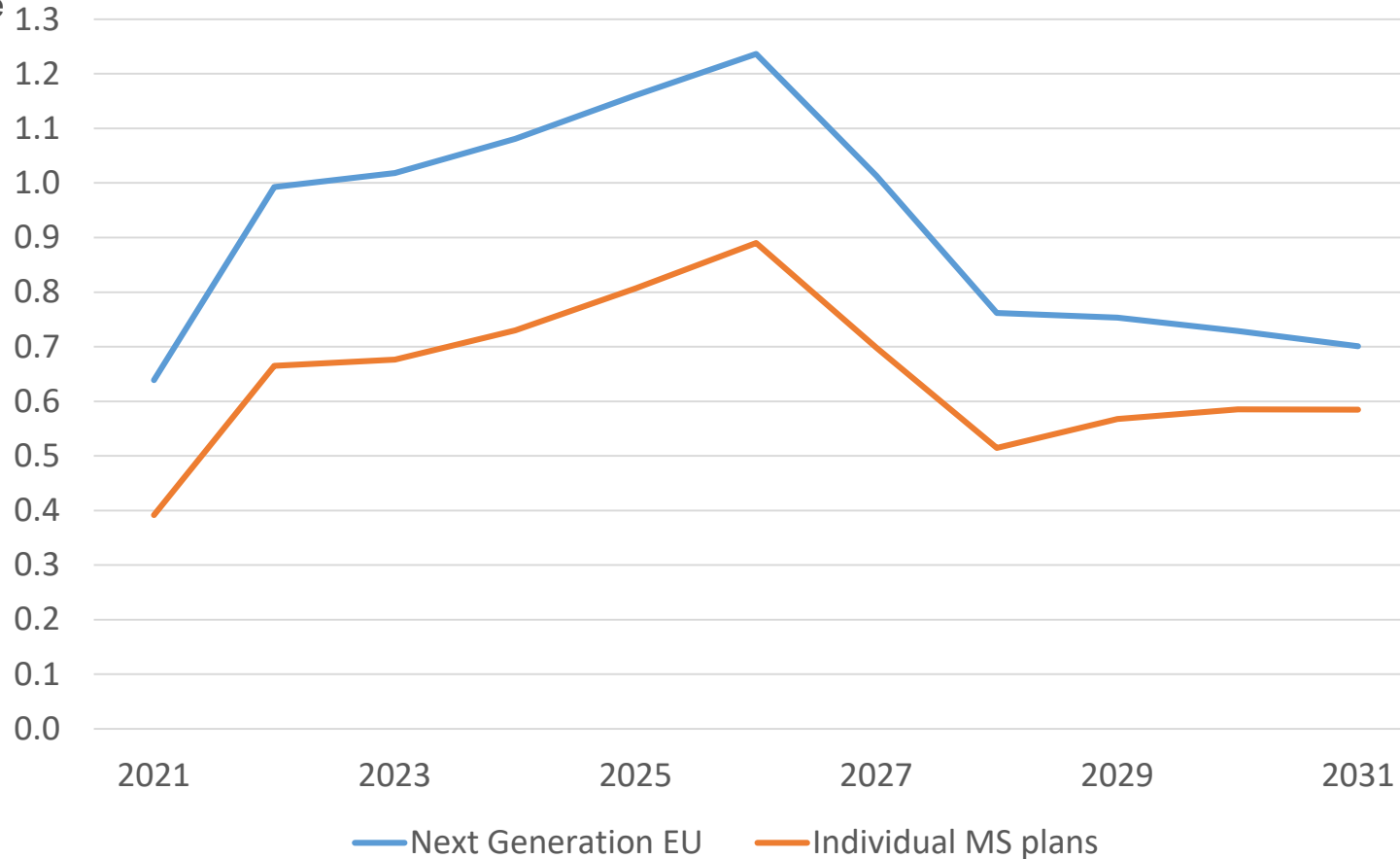
Observations on the submitted plans: CSR coverage 2

Broad Category	Public finances & taxation						Financial sector				Labour market, education & social policies								Structural policies						Public administration & business environment											
	Fiscal policy & governance	Sustainability of public finances	Tax burden on labour	Broaden tax bases	Reduce the debt bias	Tax evasion, tax adm. & tax avoidance	Financial services	Housing market	Access to finance	Private indebtedness	EPL & labour contracts	Unemployment benefits	Active labour market policies	Incentives to work, job creation, market part.	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 & 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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done all CSRs of this policy area have been assessed as "significant progress" or "full implementation" prior to the RRP submission

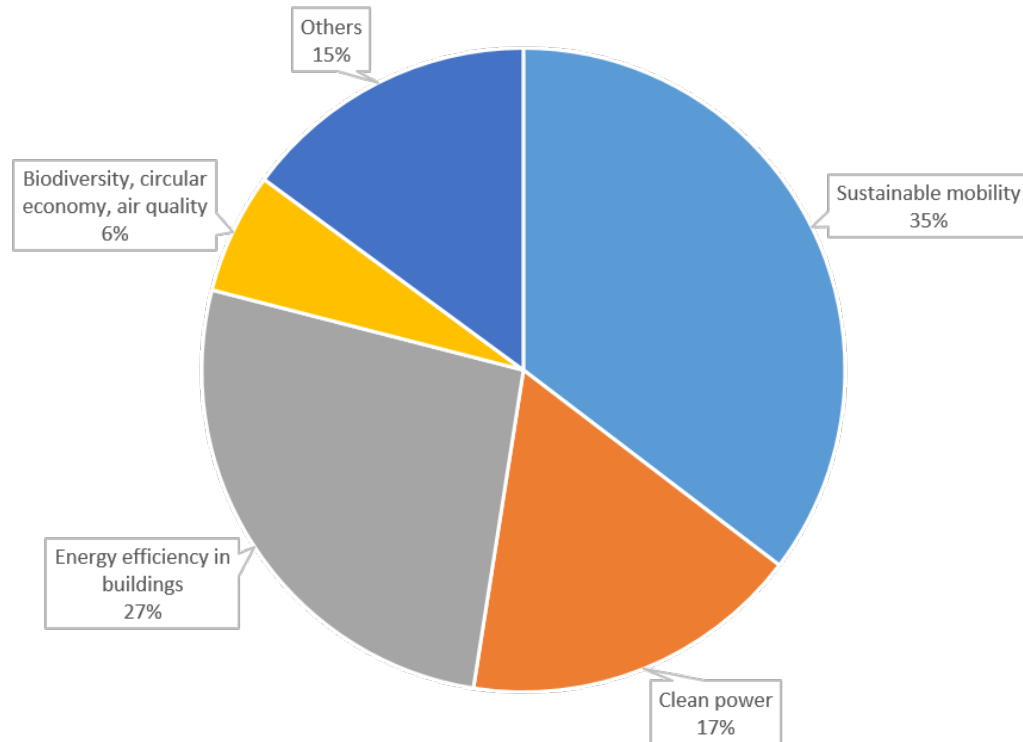
Strong growth effects of joint action at EU level

GDP impact
(% difference
vs. baseline)



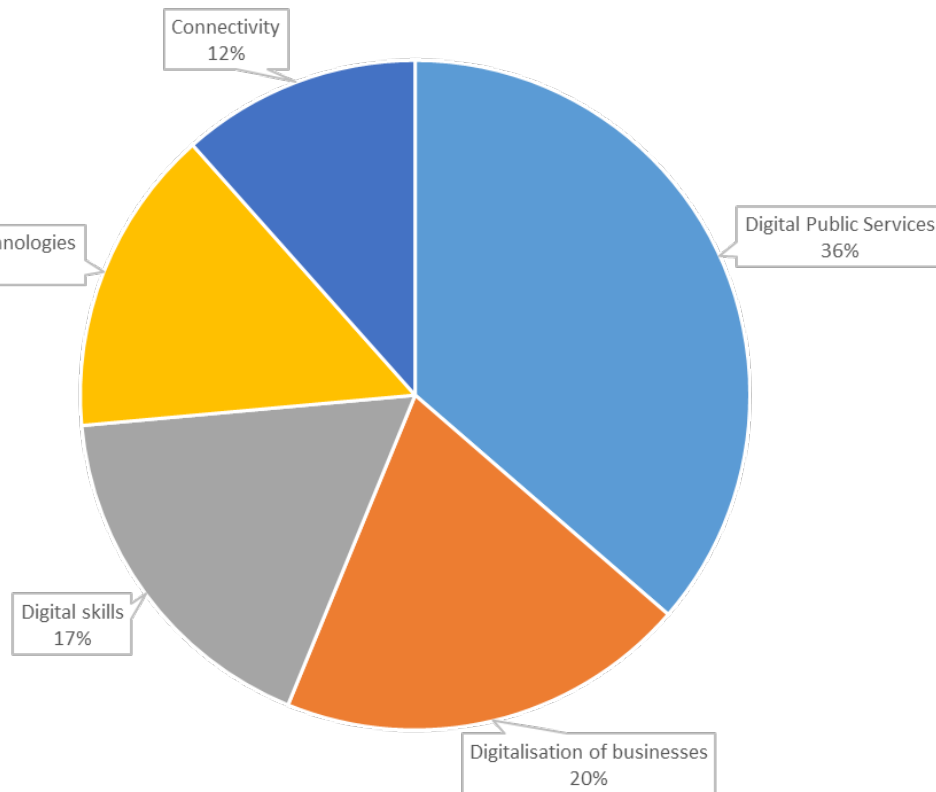
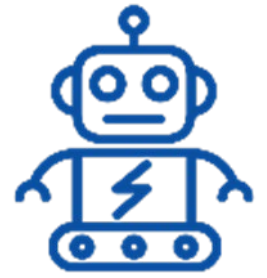
Source: European Commission preliminary simulations - 2021

Observations on the submitted plans – Green transition



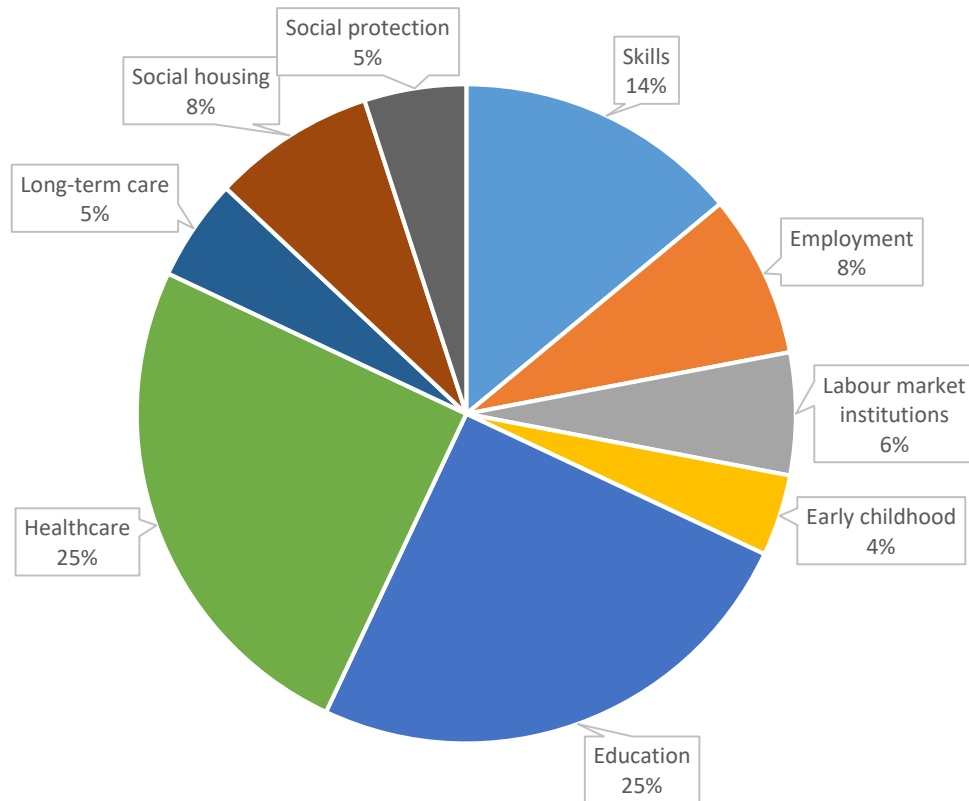
- **37% target** and adequate **expenditure tracking**
 - Tagging Annex (SWD)
- Respect of the **Do No Significant Harm Principle**
 - Milestone for implementation where necessary (CiD)
- **Enabling reforms:** e.g. permitting, taxation
- **Broad range of biodiversity measures**

Observations on the submitted plans – Digital transformation



- 20% target and adequate expenditure tracking
- Security Self-assessment in 13 plans
 - 5 G & digital capacities
- **Enabling reforms:** e.g. permitting, public administration
- Cross-border and multi-country projects
- Complementarity with other sources of funding and private investment

Observations on the submitted plans – Economic, Social and Institutional Resilience



Over 20% social expenditure

- Far reaching social reforms
 - Social safety nets, social housing and minimum income; labour market reforms
- Public administration and Justice reforms
- Strong focus on improving business environment

Observations on the submitted plans – Protecting the financial interest of the union

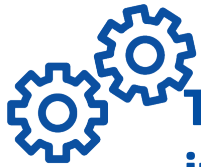


- Performance based instrument
 - Payments not linked to costs but to achievement of milestones and targets
- Appropriate measures by Member States to protect the financial interests of the EU
 - Prevent, detect and correct fraud, corruption, conflict of interests and double funding
- Strict requirement for the approval of NRRPs (pass or fail criterion)
 - Milestones to be fulfilled before first payment request where necessary (e.g. IT systems)
- **CSR relating to Rule of Law** addressed in this context: fight against corruption, effectiveness of justice systems and predictability and transparency of policy making

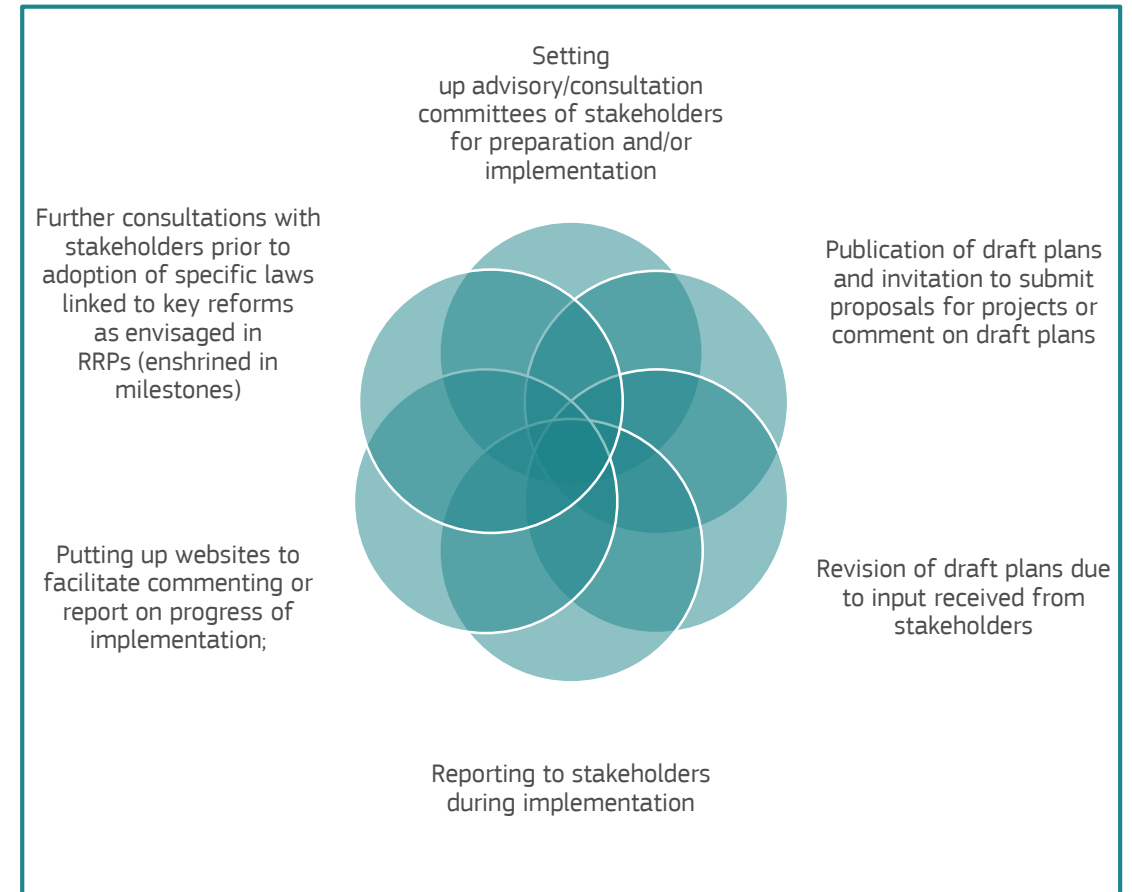
Observations on the submitted plans

Involvement of stakeholders

All 24 Member States have provided an explanation on their consultation process in the RRP. Across Member States, varying approaches can be observed. The input from local and regional authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders has shaped the RRP in different ways and will also be taken into account during the implementation.



To ensure national ownership of the plans, it is important to continue involving stakeholders also during the implementation of the measures.



Next Steps

Next steps

From Commission adoption to pre-financing

