ANNEX

to the

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

on the implementation of the Recovery and Resiliency Facility: Moving forward
ANNEX 1 – Recovery and Resilience Plans in the EU Member States

Belgium

Belgium submitted its current recovery and resilience plan (RRP) on 30 April 2021. The Commission’s positive assessment on 23 June 2021 and Council’s approval on 13 July 2021 paved the way for disbursing EUR 5.9 billion in non-repayable support under the RRF over 2021-2026. In line with Article 11(2) of the RRF Regulation, the maximum financial contribution for Belgium was also updated on 30 June 2022 to EUR 4.5 billion in non-repayable support.

In the context of the current geopolitical and economic developments, Belgium submitted an amended RRP to the Commission on 20 July 2023 to take account of the revised maximum financial contribution in line with Article 18 of the RRF Regulation, to cater for objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation, and to request additional loans in line with Article 14 of the RRF Regulation. The revised RRP also includes a new REPowerEU chapter with additional reforms and investments related to renewable energy, energy efficiency, and sustainable mobility. The Commission’s assessment of Belgium’s submission is ongoing at the time of preparation of this annual report.

Belgium’s initial (and still current) RRP aims to address key challenges related to mobility and public works, productivity, sustainability and innovation, and digital and social inclusion. It consists of 35 reforms and 105 investments that are supported by EUR 5.9 billion in non-repayable support, representing 1.2% of GDP. Complementary recovery plans were adopted at different levels of government. The Commission disbursed EUR 770 million to Belgium in pre-financing on 3 August 2021, equivalent to 13% of the financial allocation.

The implementation of Belgium’s RRP is underway, however with increasing risk of delays. Belgium has not yet submitted a payment request. An effective governance will be needed to allow for a swift and steady implementation.

The following graphs show the share of RRF funds allocated to each policy pillar in the Belgian RRP.

1 For the purpose of this annex, all data and figures are presented with a cut-off date of 1 September 2023, although the information on the state of play of the implementation of Member States’ recovery and resilience plans remains unchanged from the Country Reports published in the European Semester Spring 2023 package.
The Brussels Stock Exchange benefited from RRF support for its recently completed renovation, which will result in significant energy savings.

Figure 1: Share of RRF funds allocated to each policy pillar – Belgium

Note: Each measure contributes to two policy areas of the six pillars. The total allocation to all pillars displayed here therefore amounts to 200% of the estimated cost of the RRP. The bottom part represents the amount of the primary pillar, the top part the amount of the secondary pillar.

Figure 2: Total non-repayable support disbursed under the RRF – Belgium

Note: This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRF.

Bulgaria

Bulgaria submitted its current recovery and resilience plan (RRP) on 15 October 2021. The Commission’s positive assessment on 7 April 2022 and Council’s approval on 28 April 2022 paved the way for disbursing EUR 6.3 billion in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Bulgaria was moreover updated on 30 June 2022 to an amount of EUR 5.7 billion in non-repayable support. No revision of the plan had been submitted at the time of preparation of this annual report.

Bulgaria’s initial (and still current) RRP aims to address the key challenges related to the green and digital transition, business environment, including rule of law, social inclusion, access to quality education, training and healthcare. It consists of 47 reforms and 56 investments that are supported by EUR 6.3 billion in non-repayable support, representing around 10.2% of GDP in 2019.

Bulgaria’s RRP is underway, however with increasing risk of delays. Bulgaria submitted one payment request, corresponding to 22 milestones and targets in the plan and resulting in an overall disbursement of EUR 1.37 billion on 16 December 2022. The related 22 milestones cover important first steps in reforms and investments towards decarbonising the energy sector, promoting large-scale deployment of digital infrastructure, reforming the judicial system, strengthening the anti-money laundering framework, digitalising the public sector, strengthening the adequacy and coverage of the minimum income scheme. Measures to ensure that the audit and control system for the implementation of the RRF is up to standard were also included. A high level of governmental instability has led to delays on key legislative reforms, such as those on public procurement, anti-corruption, and the accountability of the prosecutor general. Lack of political stability and administrative capacity also translated into a slowdown in the implementation work on several important energy and transport investments and to the questioning of key aspects of the plan, namely on decarbonization of the energy sector. The new government has set the implementation of the plan as a priority. The second payment request has been delayed and is now planned for Autumn 2023. However, there is a significant risk that several milestones and targets related to key reforms will not be fulfilled at the time of submission. Work on the addendum of the plan and REPoweEU chapter is ongoing but should be accelerated, while maintaining focus on implementation. It is still unclear when this work can be finalised due to the political situation.

The following graphs show the current state of play of the milestones and targets to be reached by Bulgaria and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.
Examples of relevant measures with fulfilled milestones and targets for Bulgaria

➢ Reform

Bulgaria launched a reform, which aims to improve the adequacy and coverage of its minimum income scheme. Through the adoption of relevant legislative amendments, Bulgaria introduced a gradual increase between 2022 until 2024 of the income thresholds for all potential beneficiaries of the minimum income scheme. This is an important step in addressing long-standing social challenges in the country.

➢ Investment

Bulgaria started the construction of a section of line 3 of the Sofia metro for a total length of 3 km covering 3 stations. It will provide a clean, rapid, and efficient public transport service to passengers with intermodal connections. The investment is expected to allow the transport of 7.6 million passengers per year on average as of 2026. By enhancing public transport for the city’s inhabitants, this project is expected to lead to a reduction in greenhouse gases and air pollution, and a reduction in the number of cars in circulation in the city. The contracts on the construction works have been signed and the implementation is ongoing.

Medical University Station on Metro line 3

Copyright: Bulgarian government
Note: Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.


Figure 4: Total non-repayable support disbursed under the RRF – Bulgaria

Note: This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.


Figure 5: Fulfilment status of milestones and targets – Bulgaria

Note: This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

Czechia

Czechia submitted its current recovery and resilience plan (RRP) on 1 June 2021. The Commission’s positive assessment on 19 July 2021 and Council’s approval on 8 September 2021 paved the way for disbursing EUR 7 billion in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Czechia was moreover updated on 30 June 2022 to an amount of EUR 7.7 billion in non-repayable support.

In the context of the current geopolitical and economic developments, Czechia submitted an amended RRP to the Commission on 30 June 2023 to take account of the revised maximum financial contribution in line with Article 18 of the RRF Regulation, to cater for objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation, and to request additional loans in line with Article 14 of the RRF Regulation. The revised RRP also includes a new REPowerEU chapter with additional reforms and investments related to renewable energy, energy efficiency, and railway infrastructure. The Commission’s assessment of Czechia’s submission is ongoing at the time of preparation of this annual report.

Czechia’s initial (and still current) RRP aims to address the key challenges related to digital transformation, the green transition, the education and labour market, public administration, research and innovation and healthcare. It consists of 37 reforms and 85 investments that are supported by more than EUR 7 billion in non-repayable support, representing over 3% of 2021 GDP to help the country tackle pressing social and economic challenges. The Commission disbursed EUR 915 million to Czechia in pre-financing on 28 September 2021, equivalent to 13% of the financial allocation.

The implementation of Czechia’s RRP is underway, however with risk of some delays. Czechia submitted one payment request, corresponding to 37 milestones and targets in the plan and resulting in an overall disbursement of EUR 928 million on 22 March 2023. The related 37 milestones and targets cover reforms of school curricula to promote digital literacy and digital skills, eHealth, the country's audit and control system for the implementation of the RRF and the law on the registration of beneficial owners, as well as investments for the reconstruction of three railway bridges, 45 safer railway level crossings and digital tools for education. Further improvement to administrative capacity and prioritisation of the key reforms and investments are needed for timely implementation of the plan.

The following graphs show the current state of play of the milestones and targets to be reached by Czechia and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.
Examples of relevant measures with fulfilled milestones and targets for Czechia

➢ Reform

A new Construction Act entered into force in Czechia at the end of September 2021. This milestone is part of a reform which aims to bring a high degree of digitalization to the overall construction permissions process. Through digitalisation, the law has accelerated the building permit process and decreased the number of regulatory authorities involved. Thus, it is less likely that construction businesses will have to invest a disproportionate amount of time and resources for the sake of receiving a permit. The reduced number of regulatory authorities also helps set up grounds for implementing new information systems and digital tools into their work.

➢ Investment

Czechia has been implementing a large investment to prevent digital exclusion by ensuring the accessibility of digital equipment to all pupils. It has provided funding for ICT (information and communication) equipment for distance learning to schools in order to enable distance learning. Another major aim of this investment is equipping schools with basic and advanced digital technologies to support digital literacy and modern learning. Schools will also receive technical assistance through a dedicated website, webinars, and a new network of IT referents.

Almost 10,000 kindergartens and schools will be equipped with technologies such as augmented and virtual reality tools, robotics equipment, and 3D printers
**Figure 6: Disbursement per pillar – Czechia**

Note: Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.


**Figure 7: Total non-repayable support disbursed under the RRF – Czechia**

Note: This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. Note: This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.


**Figure 8: Fulfilment status of milestones and targets – Czechia**

Note: This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

**Denmark**

**Denmark submitted its current recovery and resilience plan (RRP) on 30 April 2021.** The Commission’s positive assessment on 17 June 2021 and Council’s approval on 13 July 2021 paved the way for disbursing EUR 1.55 billion in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Denmark was moreover updated on 30 June 2022 to an amount of EUR 1.43 billion in non-repayable support.

In the context of the current geopolitical and economic developments, Denmark submitted its request to add a REPowerEU chapter to its RRP on 31 May 2023, with additional reforms and investments related to renewable energy, developing green skills, carbon capture and storage and further replacing oil burners and gas furnaces. The Commission’s assessment of Denmark’s submission is ongoing at the time of preparation of this annual report.

**Denmark’s initial (and still current) RRP aims to address the key challenges related to the green and digital transition and strengthen the resilience of the healthcare sector.** It consists of 10 reforms and 42 investments that are supported by EUR 1.43 billion in non-repayable support, representing 0.46% of GDP. The Commission disbursed EUR 202 million to Denmark in pre-financing on 2 September 2021, equivalent to 13% of the financial allocation.

**The implementation of Denmark’s RRP is well underway.** Denmark submitted one payment request, corresponding to 25 milestones and targets in the plan and resulting in an overall disbursement of EUR 301 million on 27 April 2023. The related 23 milestones and 2 targets cover reforms and investments in decarbonisation of agriculture, digitalisation of healthcare, green tax reform, emission taxes on industry, vehicle taxation, sustainable mobility, as well as research, development, and innovation. Beyond the first payment request, the implementation of the plan is on track, which will result in the submission of the second payment scheduled by the end of 2023.

The following graphs show the current state of play of the milestones and targets to be reached by Denmark and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.

<table>
<thead>
<tr>
<th>Examples of relevant measures with fulfilled milestones and targets for Denmark</th>
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<tr>
<td>➢ Reform</td>
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A green tax reform aims to reinvigorate green business investment through tax incentives. It will increase energy taxation and eventually introduce a uniform greenhouse gas emissions tax. The additional incentives regarding the business investment tax and the announced subsequent higher taxation on energy and greenhouse gas emissions represent strong incentives to increase investments in energy efficiency and the reduction of greenhouse gas emissions.
**Investment**

Denmark has set up a subsidy scheme to replace oil burners and gas furnaces in private households with electrical heat pumps or district heating. The subsidy scheme covers part of the costs of replacing existing private household oil burners/gas furnaces and of installing electrical heat pumps or access to district heating instead. This contributes to reducing consumption of fossil fuels (oil and gas) while speeding up the green transition towards greater use of sustainable energy sources (such as wind or solar or district heating).

**Offshore installations delivering sustainable energy supported by RRP measures**

![Image of offshore wind turbines](image)

Copyright: European Commission

Figure 9: Disbursement per pillar – Denmark

![Disbursement graph](image)

**Note:** Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.

**Source:** RRF Scoreboard [https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html](https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html)
Figure 10: Total non-repayable support disbursed under the RRF – Denmark

Note: This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. Note: This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.

Source: RRF Scoreboard

Figure 11: Fulfilment status of milestones and targets – Denmark

Note: This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

Source: RRF Scoreboard
Germany

Germany submitted its initial recovery and resilience plan (RRP) on 28 April 2021. The Commission’s positive assessment on 22 June 2021 and Council’s approval on 13 July 2021 paved the way for disbursing 25.6 billion in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Germany was moreover updated on 30 June 2022 to an amount of EUR 28 billion in non-repayable support.

In the context of the current geopolitical and economic developments, Germany submitted an amended RRP to the Commission on 9 December 2022 to cater for objective circumstances that made it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation. The update to Germany’s plan was of a technical nature. It concerned two measures in Germany’s plan, one related to the digitalisation of rail (due to exceptional delays in construction, its completion date needed to be postponed), and the other to research and development of vaccines against SARS-CoV-2 (amendment of milestones due to uncertainty in R&D outcomes). The revised RRP was approved by the Council on 14 February 2023 for a total allocation of EUR 26.4 billion. No REPowerEU Chapter had been submitted at the time of preparation of this annual report.

Germany’s current RRP aims to tackle the key challenges related to the green and digital transition, to improving its education system, healthcare and public administration. It consists of 15 reforms and 25 investments funded by EUR 26.4 billion in non-repayable support, representing 0.8% of GDP. The Commission disbursed EUR 2.25 billion to Germany in pre-financing on 26 August 2021, equivalent to 9% of the (initial) financial allocation.

The German RRP helps citizens shift to clean electric vehicles by giving financial support to buy more than 560,000 decarbonised vehicles.

The implementation of Germany's RRP is underway, however with significant delays. Limited resources attached to the plan implementation and insufficient prioritisation have led
Germany to fall behind regarding the implementation process. Germany has just signed its operational arrangements and is about to submit its first payment request. This request would cover 36 milestones and targets that track progress across all components of the RRP, potentially leading to a disbursement of up to EUR 4 billion.

The following graphs show the share of RRF funds allocated to each policy pillar in the German RRP.

Figure 12: Share of RRF funds allocated to each policy pillar – Germany

![Graph showing the share of RRF funds allocated to each policy pillar in Germany.](image)

**Note:** Each measure contributes to two policy areas of the six pillars. The total allocation to all pillars displayed here therefore amounts to 200% of the estimated cost of the RRP. The bottom part represents the amount of the primary pillar, the top part the amount of the secondary pillar.

**Source:** RRF Scoreboard [https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html](https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html)

Figure 13: Total non-repayable support disbursed under the RRF – Germany

![Graph showing the total non-repayable support disbursed under the RRF in Germany.](image)

**Note:** This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.

**Source:** RRF Scoreboard [https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html](https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html)
**Estonia**

**Estonia submitted its initial recovery and resilience plan (RRP) on 18 June 2021.** The Commission’s positive assessment on 5 October 2021 and Council’s approval on 29 October 2021 paved the way for disbursing EUR 969.3 million under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Estonia was moreover updated on 30 June 2022 to an amount of EUR 863.5 million in non-repayable support.

**In the context of the current geopolitical and economic developments, Estonia submitted an amended RRP to the Commission on 9 March 2023** to take account of the revised maximum financial contribution in line with Article 18 of the RRF Regulation and to cater for objective circumstances that made it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation. The modified RRP also included a new REPowerEU chapter with one additional reform of the renewable energy permitting system and two new investments to strengthen the electricity grid and increase production and uptake of sustainable biogas and biomethane. The revised RRP was approved by the Commission on 12 May 2023 and by the Council on 16 June 2023.

**Estonia’s current RRP aims to address the key challenges related to the green transition, including energy efficiency and sustainable transport, the digital transition in the public and private sector, and health and social protection.** It consists of 28 investments and 17 reforms that are supported by EUR 953 million in non-repayable support and about 3.03% of GDP. EUR 126.01 million has so far been disbursed to Estonia under the RRF in pre-financing on 17 December 2021, equivalent to 13% of the initial financial allocation.

**Ongoing construction of the RRF-funded Tallinn Old Port tram line**

Copyright: European Commission
The implementation of Estonia’s RRP is underway. Due to high inflation and disruptions in supply chains caused by the war in Ukraine, a few investments have been delayed or discontinued, which resulted in the revision of the initial plan. Estonia has submitted on 30 June 2023 the first payment request composed of the first and second instalments’ and corresponding to 29 milestones and one target in the plan. The Commission’s assessment of the payment request is ongoing at the time of preparation of this report.

The following graphs show the share of RRF funds allocated to each policy pillar in the Estonian RRP.

Figure 14: Share of RRF funds allocated to each policy pillar – Estonia

![Graph showing the share of RRF funds allocated to each policy pillar in Estonia.]

Note: Each measure contributes to two policy areas of the six pillars. The total allocation to all pillars displayed here therefore amounts to 200% of the estimated cost of the RRP. The bottom part represents the amount of the primary pillar, the top part the amount of the secondary pillar.


Figure 15: Total non-repayable support disbursed under the RRF – Estonia

![Graph showing the total non-repayable support disbursed under the RRF, including pre-financing.]

Note: This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.

Ireland submitted its initial recovery and resilience plan (RRP) on 25 May 2021. The Commission’s positive assessment on 16 July 2021 and Council’s approval on 8 September 2021 paved the way for disbursing 989 million in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Ireland was moreover updated on 30 June 2022 to an amount of EUR 914 million in non-repayable support.

In the context of the current geopolitical and economic developments, Ireland submitted an amended RRP to the Commission on 22 May 2023 to cater for objective circumstances that made it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation. The update to Ireland’s plan was of a technical nature and was adopted by Council on 14 July 2023. No REPowerEU Chapter had been submitted at the time of preparation of this annual report.

Ireland’s current RRP aims to address the key challenges related to the green and digital transitions, and to the social and economic recovery. It consists of 9 reforms and 16 investments that are supported by EUR 914 million in non-repayable support, representing 0.21% of 2021 GDP.

Newly constructed bicycle path supported by the RRF

The implementation of Ireland’s RRP is underway, however with significant delays. Limited resources and insufficient prioritisation have led Ireland to fall behind in the implementation
process. The first payment request, corresponding to 41 milestones and targets in the plan, is under preparation.

The following graphs show the share of RRF funds allocated to each policy pillar in the Irish RRP.

Figure 16: Share of RRF funds allocated to each policy pillar – Ireland

Note: Each measure contributes to two policy areas of the six pillars. The total allocation to all pillars displayed here therefore amounts to 200% of the estimated cost of the RRP. The bottom part represents the amount of the primary pillar, the top part the amount of the secondary pillar.

Greece

Greece submitted its current recovery and resilience plan (RRP) on 27 April 2021. The Commission’s positive assessment on 17 June 2021 and Council’s approval on 13 July 2021 paved the way for disbursing EUR 17.8 billion in non-repayable support and EUR 12.7 billion in loans under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Greece was moreover updated on 30 June 2022 to an amount of EUR 17.4 billion in non-repayable support.

In the context of the current geopolitical and economic developments, Greece submitted an amended RRP to the Commission on 31 August 2023 to cater for objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation and to request additional loans in line with Article 14 of the RRF Regulation. The revised RRP also includes a new REPowerEU chapter with additional reforms and investments related to energy renovations for households, business and utilities, the creation of a market for renewable hydrogen, bio-methane and carbon-capture, usage and storage, the increased penetration of renewable energy sources, with measures promoting energy storage, as well as reforms promoting offshore wind and the transition towards a smart grid and energy sharing. The Commission’s assessment of Greece’s submission is ongoing at the time of preparation of this annual report.

Greece’s initial (and still current) RRP aims to address the key challenges related to the green and digital transitions, employment, skills and social cohesion, private investment, and economic and institutional transformation. It consists of 68 reforms and 106 investments that are supported by EUR 17.4 billion in non-repayable support and EUR 12.7 billion in loans, representing 14.5% of GDP in 2022. The Commission disbursed EUR 3.96 bn to Greece in pre-financing on 9 August 2021, equivalent to 13% of the financial allocation.

The implementation of Greece’s RRP has so far been well underway, however it is facing some challenges going forward. Greece submitted 3 payment requests for non-repayable financial support and 2 payment requests for loan support, corresponding to 85 milestones and targets in the plan. The third payment request for EUR 1.72 billion was submitted on 16 May 2023 and is under assessment by the Commission at the time of preparation of this annual report. To date, Greece has received an overall disbursement of EUR 7.1 billion for two approved payment requests, excluding pre-financing. Whilst Greece has been off to a strong start, there are substantial risks going forward, which warrant continuous efforts to maintain and enhance the implementation momentum. The plan contains a significant number of reforms and investments which by its sheer size represents a large administrative burden. At this stage, the implementation of the plan is reaching a phase that will rely on regional and local administrations, whose administrative and implementation capacity is generally weak. The completion of a number of measures in the plan requires a series of preparatory steps, including public procurement procedures. Ensuring timely progress with those will require continuous strong coordination of and assistance to local and regional implementing bodies.
The following graphs show the current state of play of the milestones and targets to be reached by Greece and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.

**Examples of relevant measures with fulfilled milestones and targets for Greece**

- **Reform**

  Greece adopted a reform aimed at streamlining the licensing framework for renewables, including the simplification and digitalisation of procedures, shorter and binding administrative response times and accountability procedures for unnecessary delays, while reducing the necessary documentation and procedures. The reform includes the creation of a one-stop service under the Ministry of Environment tasked with maintaining the oversight of the entire licensing process. In addition, a digital platform will connect all the various sub-systems and databases of the bodies involved in permitting, allowing them to better communicate amongst themselves and with investors. The reform will help Greece to reduce the average licensing time for renewables from 5 years to 14 months and develop at least 3.5 GW of energy storage by 2030.

- **New photovoltaic capacity will increase in Greece thanks to the reform of renewables permitting supported by the RRF**

- **Investment**

  The Greek RRP makes available €12.7 billion in loans to provide funding to companies and support private investment in the areas of green transition, digitalisation, increasing export capacity, economies of scale and innovation. In order to channel this funding to the private sector, Greece established the Loan Facility. This was achieved through the adoption of its governance framework, as well as agreements signed with International Financial Institutions and calls to commercial banks, which are the implementing partners. This framework provides for robust safeguards to ensure the creditworthiness of the borrowing company, financial viability of the projects, repayment of funds and compliance with all the requirements set in the Greek RRP. The Loan Facility provides substantial liquidity to the private sector with the commitment for financial institutions to invest at least 38.5% of the
funds to support the climate transition and at least 20.8% of the funds to support the digital transition. With the signature of loan contracts worth at least EUR 586.4 million between financial institutions and investors, Greece met ahead of schedule the first target under Loan Facility.

**Figure 17: Disbursement per pillar – Greece**

![Disbursement per pillar – Greece](image)

*Note:* Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.


**Figure 18: Total non-repayable support disbursed under the RRF – Greece**

![Total non-repayable support disbursed under the RRF – Greece](image)

*Note:* This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. *Note:* This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.


**Figure 19: Total loans disbursed under the RRF – Greece**

![Total loans disbursed under the RRF – Greece](image)

*Note:* This graph displays the amount of loans disbursed so far under the RRF. Loans are repayable financial contributions. The total amount of loans given to each Member State is determined by the assessment of its loan request and cannot exceed 6.8% of its 2019 GNI.

Figure 20: Fulfilment status of milestones and targets – Greece

**Note:** This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

**Source:** RRF Scoreboard [https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html](https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html)
Spain

Spain submitted its current recovery and resilience plan (RRP) on 30 April 2021. The Commission’s positive assessment on 16 June 2021 and Council’s approval on 13 July 2021 paved the way for disbursing EUR 69.5 billion in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Spain was moreover updated on 30 June 2022 to an amount of EUR 77.2 billion in non-repayable support.

In the context of the current geopolitical and economic developments, Spain submitted an amended RRP to the Commission on 6 June 2023 to take account of the revised maximum financial contribution in line with Article 18 of the RRF Regulation, to cater for objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation, and to request additional loans in line with Article 14 of the RRF Regulation. The revised RRP also includes a new REPowerEU chapter with additional reforms and investments aimed at further accelerating the decarbonisation of its economy. The Commission’s assessment of Spain’s submission is ongoing at the time of preparation of this report.

Spain’s initial (and current) RRP aims to address the key challenges related to the green transition, the digital transition and to economic and social resilience. It consists of 102 reforms and 112 investments that are supported by EUR 69.5 billion in non-repayable support, representing 6.5% of GDP. The Commission disbursed EUR 9 billion to Spain in pre-financing on 17 August 2021, equivalent to 13% of the financial allocation.

The implementation of Spain’s RRP has so far been well underway, however it is facing some challenges going forward. Spain submitted 3 payment requests, corresponding to 121 milestones and targets in the plan and resulting in an overall disbursement of EUR 28 billion. RRP measures implemented so far include labour market reforms, a first set of pension reforms, modernisation of the Tax Administration Agency and tax fraud prevention, approval of the Public Health Strategy, and a review of the Insolvency Law, the Science, Technology and Innovation Law, the law on Telecommunications, the law on integrated Vocational Training System and the general law on Audio-visual Communication. Based on data published by the Spanish authorities, the investments supported by the RRP are well under way, and 76% of the more than EUR 50 billion of RRF funding budgeted in 2021 and 2022 had been committed by the end of 2022. EUR 20.6 bn was transferred to regions to implement investments under the RRP. While Spain has been among the Member States most advanced in the implementation of the plan, it is now expecting to revise it to more than double its size. This should be accompanied by a reinforced sufficient administrative capacity as to ensure the effective and efficient absorption of the recovery and resilience and other EU and national available funds.

The following graphs show the current state of play of the milestones and targets to be reached by Spain and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.
Examples of relevant measures with fulfilled milestones and targets for Spain

➢ Reform

Spain has amended its legislation under the RRP with the objective to limit the use of temporary contracts to duly justified cases and to generalise the use of open-ended contracts. The Spanish labour market is characterised by high levels of temporary employment. The labour market reform approved in December 2021 is helping to reduce temporary employment in the private sector. New contracts signed during 2022 point to a widespread reduction in the share of fixed-term contracts, falling overall to 62%, down from 90% in 2019. The share of temporary employees in the private sector fell to 14.8% in Q4 2022, down from 23.9% in Q4 2021.

➢ Investment

Spain approved a programme for improving digital education competence (called #CompDigEdu) and a programme for the digitalisation of the education system. These programmes will equip a minimum of 240,000 classrooms, train 700,000 teachers and prepare or revise the digital strategy for at least 22,000 public and publicly subsidised school centres, and provide 300,000 connected digital devices (laptops, tablets) in public and publicly subsidised schools, in cooperation with the Autonomous Communities.

The Tknika Vocational Excellence centre is supported by the RRF

Copyright: European Commission
**Figure 21: Disbursement per pillar – Spain**

![Disbursement per pillar](image)

**Note:** Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.

**Source:** RRF Scoreboard [https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html](https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html)

**Figure 22: Total non-repayable support disbursed under the RRF – Spain**

![Total non-repayable support](image) € 37.04 billion

**Note:** This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. Note: This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.

**Source:** RRF Scoreboard [https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html](https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html)

**Figure 23: Fulfilment status of milestones and targets – Spain**

![Fulfilment status of milestones and targets](image)

**Note:** This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

**Source:** RRF Scoreboard [https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html](https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/country_overview.html)
**France**

*France submitted its initial recovery and resilience plan (RRP) on 29 April 2021.* The Commission’s positive assessment on 23 June 2021 and Council’s approval on 13 July 2021 paved the way for disbursing EUR 39.4 billion in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for France was moreover updated on 30 June 2022 to an amount of EUR 37.5 billion in non-repayable support.

*In the context of the current geopolitical and economic developments, France submitted an amended RRP to the Commission on 20 April 2023* to take account of the revised maximum financial contribution in line with Article 18 of the RRF Regulation and to cater for objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation. The revised RRP also included a new REPowerEU chapter with additional reforms and investments related to renewable energy, energy efficiency, net-zero industry and fossil-free hydrogen. The revised RRP was approved by the Commission on 26 June 2023 and by the Council on 14 July 2023.

*France’s current RRP aims to accelerate the green and digital transitions, increase growth potential and strengthen cohesion.* The plan consists of 24 reforms and 73 investments that will be supported by EUR 40.3 billion in non-repayable support (1.6% of GDP). The Commission disbursed EUR 5.1 billion to France in pre-financing in August 2021, equivalent to 13% of the financial allocation.

*The implementation of France’s RRP is underway.* France submitted one payment request, corresponding to 38 milestones and targets in the plan and resulting in an overall disbursement of EUR 7,400,000 on 4 March 2022. They cover reforms in the areas of public finance, climate change, housing, mobility, labour market, skills and health. Several targets concern major investments in the fields of energy renovation of buildings, decarbonisation of industry, clean vehicles, research, youth employment, and education. France also submitted a second payment request of more than EUR 10.3 billion on 31 July 2023, corresponding to 55 milestones and targets in the plan. The Commission is assessing France’s second payment request at the time of preparation of this annual report.

The following graphs show the current state of play of the milestones and targets to be reached by France and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.
Thermal renovation of a historical student housing building in the Cité Internationale Universitaire in Paris.

Copyright: European Commission

Examples of relevant measures with fulfilled milestones and targets for France

➢ **Reform**

*vFrance introduced a Climate and Resilience law*, adopted on July 20, 2021, to comply with the EU target of reducing greenhouse gas emissions by at least 55% by 2030. This reform is expected to achieve an estimated reduction of between 56 and 74 million tons of CO2 equivalent in total.

➢ **Investment**

*vFrance introduces hiring-subsidies for youth under 26*. The RRF is financing 84% of the hiring subsidies for young people under 26. Employers hiring a young person under 26 receive up to EUR 4,000 per year for a full-time contract. In the context of the French RRP, 337,000 young persons had benefited from the scheme by mid-2021. This support scheme is one of the key measures of the youth plan “1 jeune, 1 solution” launched in the summer of
2020 to provide each young person in the country with an adequate solution addressing his or her needs, be it education, training or employment, coaching or financial support.

**Figure 24: Disbursement per pillar – France**

Note: Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.


**Figure 25: Total non-repayable support disbursed under the RRF – France**

Note: This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. Note: This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.


**Figure 26: Fulfilment status of milestones and targets – France**

Note: This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

**Croatia**

Croatia submitted its current recovery and resilience plan (RRP) on 14 May 2021. The Commission’s positive assessment on 8 July 2021 and Council’s approval on 28 July 2021 had paved the way for disbursing EUR 6.3 billion in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Croatia was moreover updated on 30 June 2022 to an amount of EUR 5.51 billion in non-repayable support.

In the context of the current geopolitical and economic developments, Croatia submitted an amended RRP to the Commission on 31 August 2023 to take account of the revised maximum financial contribution in line with Article 18 of the RRF Regulation, to cater for objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation and to request additional loans in line with Article 14 of the RRF Regulation. The revised RRP also includes a new REPowerEU chapter with additional and scaled-up reforms and investments related to energy security, uptake of renewable energy sources, energy efficiency of buildings, transport, and renewable hydrogen. The Commission’s assessment of Croatia’s submission is ongoing at the time of preparation of this annual report.

Croatia’s initial (and still current) RRP aims to address the key challenges related to accelerating the digital and green transitions, strengthening economic and social resilience, and building a more efficient public administration. It consists of 76 reforms and 146 investment strands that are supported by EUR 5.51 billion in non-repayable support, representing 9.5% of 2021 GDP. The Commission disbursed EUR 818.4 million to Croatia in pre-financing on 28 September 2021, equivalent to 13% of the financial allocation.

The implementation of Croatia’s RRP is well underway. Croatia submitted three payment requests, corresponding to 104 milestones and targets in the plan. Two payment requests corresponding to 59 milestones and targets have so far been approved, resulting in an overall disbursement of EUR 1.4 billion. The third payment request for EUR 700 million was submitted on 24 July 2023 and is under assessment by the Commission at the time of preparation of this annual report. At this stage of implementation of the plan, the measures consist to a large extent of adopting national strategic framework documents (revised or new legislation, strategies, programmes) to pave the way for efficient investment spending under future instalments. A significant share of the RRP funds is already available under calls for projects and targeted funding programmes.

The following graphs show the current state of play of the milestones and targets to be reached by Croatia and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.
Examples of relevant measures with fulfilled milestones and targets for Croatia

➢ Reform

Croatia has adopted a new anti-corruption strategy for 2021-2030. It aims to strengthen existing rules and institutions involved in the fight against corruption and to increase the transparency of the work of public authorities. It will also improve the management systems to prevent conflicts of interest and raise public awareness regarding the harm brought about by corruption and the need to report irregularities.

➢ Investment

Croatia has awarded 75 contracts to small, medium-sized and large enterprises, in order to increase the energy efficiency in industrial production processes of energy-intensive manufacturing industry and increase the use of renewable sources. In practice, the investments will improve production processes in manufacturing industries in order to reduce the energy consumption by a minimum 20% to 40%, depending on the type of investment.

**RRF-funded photovoltaic panels installed on the roof of a SME in Voćin, Virovitica-Podravina County**

Copyright: Government of the Republic of Croatia
Figure 27: Disbursement per pillar – Croatia

Note: Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.


Figure 28: Total non-repayable support disbursed under the RRF – Croatia

Note: This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.


Figure 29: Fulfilment status of milestones and targets – Croatia

Note: This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

Italy

Italy submitted its initial recovery and resilience plan (RRP) on 30 April 2021. The Commission’s positive assessment on 22 June 2021 and Council’s approval on 13 July 2021 paved the way for disbursing EUR 68.9 billion in non-repayable support and EUR 122.6 billion in loans under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Italy was moreover updated on 30 June 2022 to an amount of EUR 69 billion in non-repayable support.

In the context of the current geopolitical and economic developments, Italy submitted two amended RRP to the Commission, on 11 July 2023 and 7 August 2023 respectively. The first amended RRP was submitted to modify a specific set of milestones and targets included in the fourth payment request, due to objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation. The first update to Italy’s plan was of a technical nature and was approved by the Commission on 28 July 2023 and has been submitted to the Council for approval. The second amended RRP was submitted to take account of the revised maximum financial contribution in line with Article 18 of the RRF Regulation and to cater for objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation. The second revised RRP also includes a new REPowerEU chapter with additional reforms and investments related to renewable energy, green skills, energy efficiency and electricity infrastructure. The Commission’s assessment of Italy’s second submission is ongoing at the time of preparation of this annual report.

The RRF will finance EUR 191.6 billion of investment in Italy over the period 2022-2026 (10.7% of GDP). Italy’s initial (and still current) RRP consists of 132 investments and 58 reforms. Italy is the largest beneficiary of the RRF in absolute terms. The Commission disbursed EUR 24.89 billion to Italy in pre-financing on 13 August 2021, equivalent to 13% of the financial allocation.

The implementation of Italy’s RRP is underway, however with increasing risk of delays. Italy submitted three payment requests, corresponding to 151 milestones and targets in the plan and resulting in an overall disbursement of EUR 42 billion (referring to the first two payment requests submitted). On 30 December 2022, Italy submitted its third payment request, for which the preliminary assessment was approved by the Commission on 28 July 2023. Proceeding swiftly with the implementation of the plan and the negotiation of its amendment is essential due to the temporary nature of the RRF in place until 2026.

The following graphs show the current state of play of the milestones and targets to be reached by Italy and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.
Examples of relevant measures with fulfilled milestones and targets for Italy

➢ Reform

Italy kept up the effort on reforming the public administration by adopting all relevant implementing acts concerning the reform of public employment. The primary legislation was adopted in 2022. All implementing acts have now entered into force. This step will contribute to a more effective and efficient management of the public work force in the Italian public administration, from recruitment to career progression. The implementing acts are particularly relevant to ensure an effective roll out of the reform and to contribute to a homogeneous implementation across public administrations. It should be noted that Italy has already anticipated some secondary acts, which have been adopted well ahead of their envisaged deadline, to better frame the provisions embedded into primary legislation and given their relevance for the concrete implementation of the reform.

➢ Investment

Italy successfully completed the design, preparation, set-up and testing of four data centres, which constitute the core of a new national cloud infrastructure, called ‘Polo Strategico Nazionale’ (PSN), devoted to host the information systems, data and applications of the public administrations. The next phases of the investment will concern the migration towards the cloud infrastructure of the datasets and applications of at least 280 Central Public Administrations and Local Healthcare Authorities.

The RRF will support investments in data centres to increase Italy’s cloud capacity.
Figure 30: Disbursement per pillar – Italy

Note: Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.


Figure 31: Total non-repayable support disbursed under the RRF – Italy

Note: This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.


Figure 32: Total loans disbursed under the RRF – Italy

Note: This graph displays the amount of loans disbursed so far under the RRF. Loans are repayable financial contributions. The total amount of loans given to each Member State is determined by the assessment of its loan request and cannot exceed 6.8% of its 2019 GNI.

Figure 33: Fulfilment status of milestones and targets – Italy

Note: This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

Cyprus submitted its current recovery and resilience plan (RRP) on 17 May 2021. The Commission’s positive assessment on 8 July 2021 and Council’s approval on 28 July 2021 paved the way for disbursing EUR 1 billion in non-repayable support and EUR 0.2 billion in loans under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Cyprus was moreover updated on 30 June 2022 to an amount of EUR 916 million in non-repayable support.

In the context of the current geopolitical and economic developments, Cyprus submitted an amended RRP to the Commission on 1 September 2023 to take account of the revised maximum financial contribution in line with Article 18 of the RRF Regulation and to cater for objective circumstances that make it no longer possible to achieve certain milestones and targets in the RRP in line with Article 21 of the RRF Regulation. The revised RRP also includes a new REPowerEU chapter with additional and scaled-up reforms and investments related to energy efficiency in buildings, the electrification of transport, and research and development in the field of the green transition. The Commission’s assessment of Cyprus’ submission is ongoing at the time of preparation of this annual report.

Cyprus’ initial (and still current) RRP aims to address the key challenges related to the twin (green and digital) transition, to public health and civil protection, and to boost its economic, social and institutional resilience. It consists of 75 investments and 58 reforms that are supported by EUR 916 million in non-repayable support and EUR 200 million in loans, representing 4.1% of 2022 GDP after the update of the maximum financial contribution. The Commission disbursed EUR 157 million to Cyprus in pre-financing in September 2021, equivalent to 13% of the financial allocation.

The implementation of Cyprus’ RRP is underway, however with risk of some delays. Cyprus submitted one payment request, corresponding to 14 milestones in the plan and resulting in an overall disbursement of EUR 85 million on 2 December 2022. The related 14 milestones cover measures in the financial sector and public administration, as well as in the areas of electricity market, energy efficiency, circular economy, anti-corruption and transparency, e-skills and audit and budgetary control. The Cypriot RRP is relatively large and complex in nature. Strong governance and continuous monitoring of the RRP are essential to minimise the risk of delays.

The following graphs show the current state of play of the milestones and targets to be reached by Cyprus and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.

Examples of relevant measures with fulfilled milestones and targets for Cyprus

➢ Reform

A law to protect whistle-blowers reporting fraud and corruption from internal sanctions entered into force in Cyprus. Together with the entry into force of the law establishing the Independent Authority against Corruption and with the entry into force of the law on
Transparency in Decision-Making and Related Matters, it provides greater coherence in the fight against corruption.

The RRF-supported reform will improve the fight against corruption in Cyprus

➢ Investment

Cyprus published a call for proposals for a support scheme for promoting energy efficiency investments notably in SMEs and non-profit organisations, with the aim to reduce the primary energy consumption by at least 30% and the CO2 emissions in buildings and/or facilities. Energy efficiency interventions will be fully implemented by the end of 2025.

Figure 34: Fulfilment status of milestones and targets – Cyprus

Note: This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

**Figure 35: Disbursement per pillar – Cyprus**

Note: Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.


**Figure 36: Total non-repayable support disbursed under the RRF – Cyprus**

Note: This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. Note: This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRF. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRF.


**Figure 37: Total loans disbursed under the RRF – Cyprus**

Note: This graph displays the amount of loans disbursed so far under the RRF. Loans are repayable financial contributions. The total amount of loans given to each Member State is determined by the assessment of its loan request and cannot exceed 6.8% of its 2019 GNI.

**Latvia**

**Latvia submitted its current recovery and resilience plan (RRP) on 30 April 2021.** The Commission’s positive assessment on 22 June 2021 and Council’s approval on 13 July 2021 paved the way for disbursing EUR 1.8 billion in non-repayable support under the RRF over the 2021-2026 period. In line with article 11(2) of the RRF, the maximum financial contribution for Latvia was moreover updated on 30 June 2022 to an amount of EUR 1.8 billion in non-repayable support. No revision of the plan had been submitted at the time of preparation of this annual report.

**Latvia’s initial (and still current) RRP aims to address the key challenges related to the green and digital transition, regional and social inequalities, healthcare, economic transformation and rule of law.** It consists of 24 reforms and 61 investments that are supported by EUR 1.8 billion in non-repayable support, representing 5.58% of Latvia’s GDP in 2021. The Commission disbursed EUR 237.4 million to Latvia in pre-financing on 10 September 2021, equivalent to 13% of the initial financial allocation.

**The implementation of Latvia’s RRP is well underway.** Latvia submitted one payment request, corresponding to nine milestones in the plan and resulting in an overall disbursement of EUR 201 million on 7 October 2022. The related nine milestones covers key reforms and investments in the areas of the minimum income support system, broadband infrastructure, educational institutions’ infrastructure and remote learning. Other areas covered are public procurement, the prevention of money laundering and terrorist and proliferation financing, as well as the construction of low-rent dwellings. The second payment request is due in 2023 and will cover 49 milestones and targets.

The following graphs show the current state of play of the milestones and targets to be reached by Latvia and subsequently assessed as satisfactorily fulfilled by the Commission, whilst examples of measures with fulfilled milestones and targets are included in the box below.

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**Examples of relevant measures with fulfilled milestones and targets for Latvia**

➢ **Reform**

**Latvia has improved conditions of the minimum income reform by adopting a strategic framework for the further development of the minimum income support system.** The general objective of this reform is to reduce inequality, improve the social safety net, foster social integration and inclusion in Latvia. The reform revises the floor of the minimum income by setting it to no less than 20% of the median income and provides for a procedure for positive indexation to take place on an annual basis. Previously, the minimum income system had thresholds in nominal terms and were reviewed once in three years. The strategic framework consisted of four parts, adopted between August 2021 and March 2022.
Investment

Latvia provided access to learning content and enable socially vulnerable groups to participate in remote learning. A framework for organisation and implementation of remote learning in educational institutions was approved in 2021. The investment in the RRP consists of purchasing information and communication technology equipment for general education institutions, with targeted support for pupils from socially vulnerable groups, teachers and the creation of a “computer library” in educational institutions. Latvia has already adopted the regulations of the Cabinet of Ministers laying down criteria and conditions for the organisation and conduct of remote learning to ensure that remote learning is organised and implemented in all Latvian educational institutions and levels of education. In the coming years, Latvia will deliver ICT equipment to vulnerable learners.

With the support of the RRF, a framework for organisation and implementation of remote learning in educational institutions was approved in 2021.
Figure 38: Disbursement per pillar – Latvia

Note: Each disbursement reflects progress in the implementation of the RRF, across the six policy pillars. This graph displays how disbursements under the RRF (excluding pre-financing) relate to the pillars. The amounts were calculated by linking the milestones and targets covered by a given disbursement to the pillar tagging (primary and secondary) of their respective measures.

Source: RRF Scoreboard [link]

Figure 39: Total non-repayable support disbursed under the RRF – Latvia

Note: This graph displays the amount of grants disbursed so far under the RRF, including pre-financing. Note: This graph displays the amount of non-repayable support disbursed so far under the RRF, including pre-financing. The total amount of grants given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP. The total amount of non-repayable support given to each Member State is determined by an allocation key and the total estimated cost of the respective RRP.

Source: RRF Scoreboard [link]

Figure 40: Fulfilment status of milestones and targets – Latvia

Note: This graph displays the share of satisfactorily fulfilled milestones and targets. A milestone or target is satisfactorily fulfilled once a Member State has provided evidence to the Commission that it has reached the milestone or target and the Commission has assessed it positively in an implementing decision.

Source: RRF Scoreboard [link]