



**Next
Gen
EU**

RECOVERY AND RESILIENCE FACILITY

State of play on implementation

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European International Contractors annual conference

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From crisis management to recovery support



2020:
Crisis management

Enabling a strong fiscal response

Organising sourcing of medical equipment

Providing access to vaccines for all

Coordinating management of lockdowns

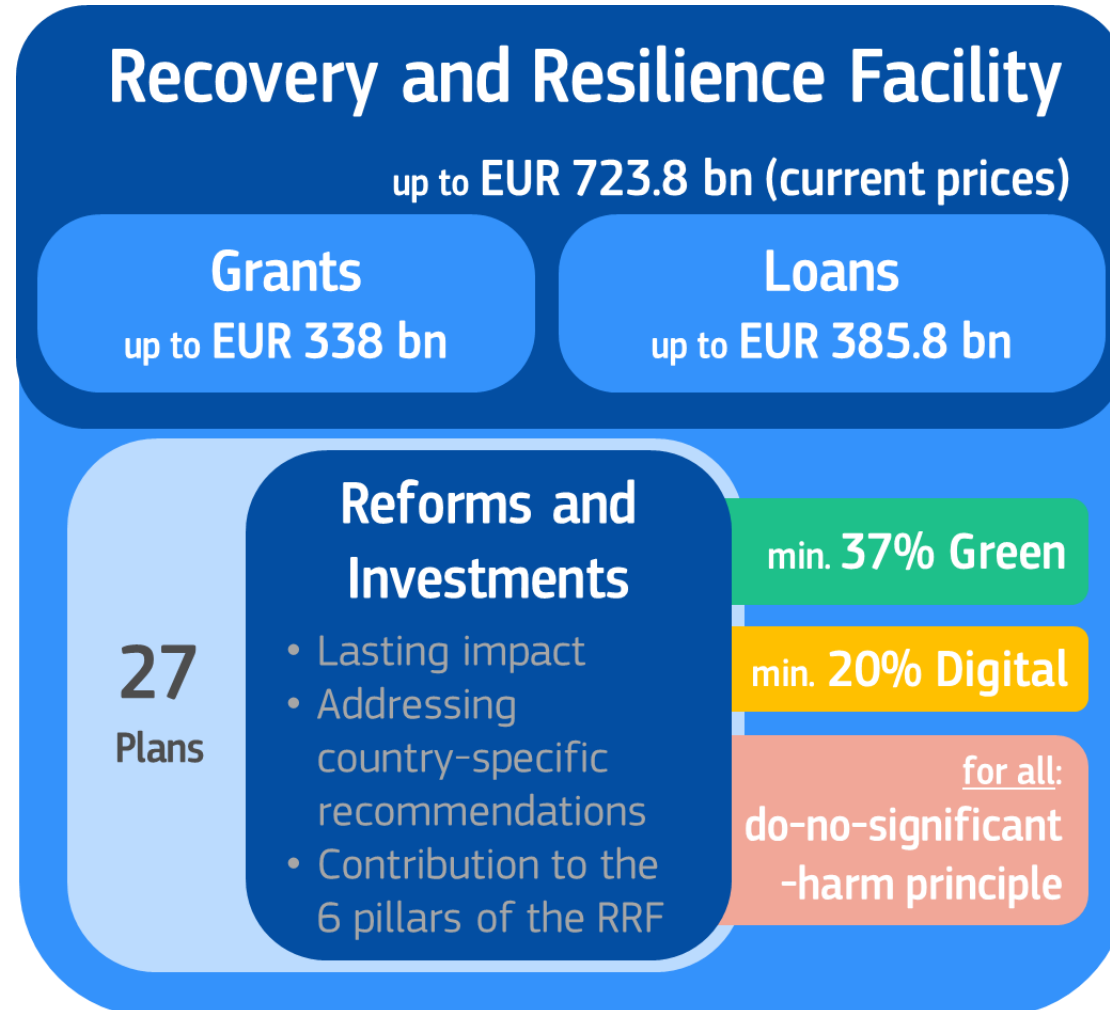


From 2021 onwards:
Recovery support

A Recovery Plan for Europe:

The Recovery & Resilience Facility

RRF: Main characteristics



RRF: Main characteristics

Performance-based

- Financing with grants and loans, **based on results**.
- **Milestones and targets** should be fulfilled, representing the key steps in implementation of reforms and investments.
- **Financing for results** increases the efficiency of the instrument.












Investments and reforms

- RRP should constitute a **coherent set of reforms and investments**.
- **Flanking reforms** to accompany investments and facilitate their implementation.
- RRP have to address all or a significant subset of the **country-specific recommendations**.
- Crucial reforms as identified in the **European Semester** are therefore the focus of RRP.

Twin transitions

- RRP should include **important green and digital investments**.
- Each RRP should reach **37% spending towards climate objectives, and 20% spending towards digital objectives**.
- Coupled with a significant **qualitative contribution** to the green and digital transitions.

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

RRF official documents

Council Implementing Decision (CID)

- Legal agreement between the European Union and Member States on the plan
- Adopted by the Council
- Adoption unlocked 13% pre-financing (in 2021)




Annex to 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

COM Staff Working Document

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

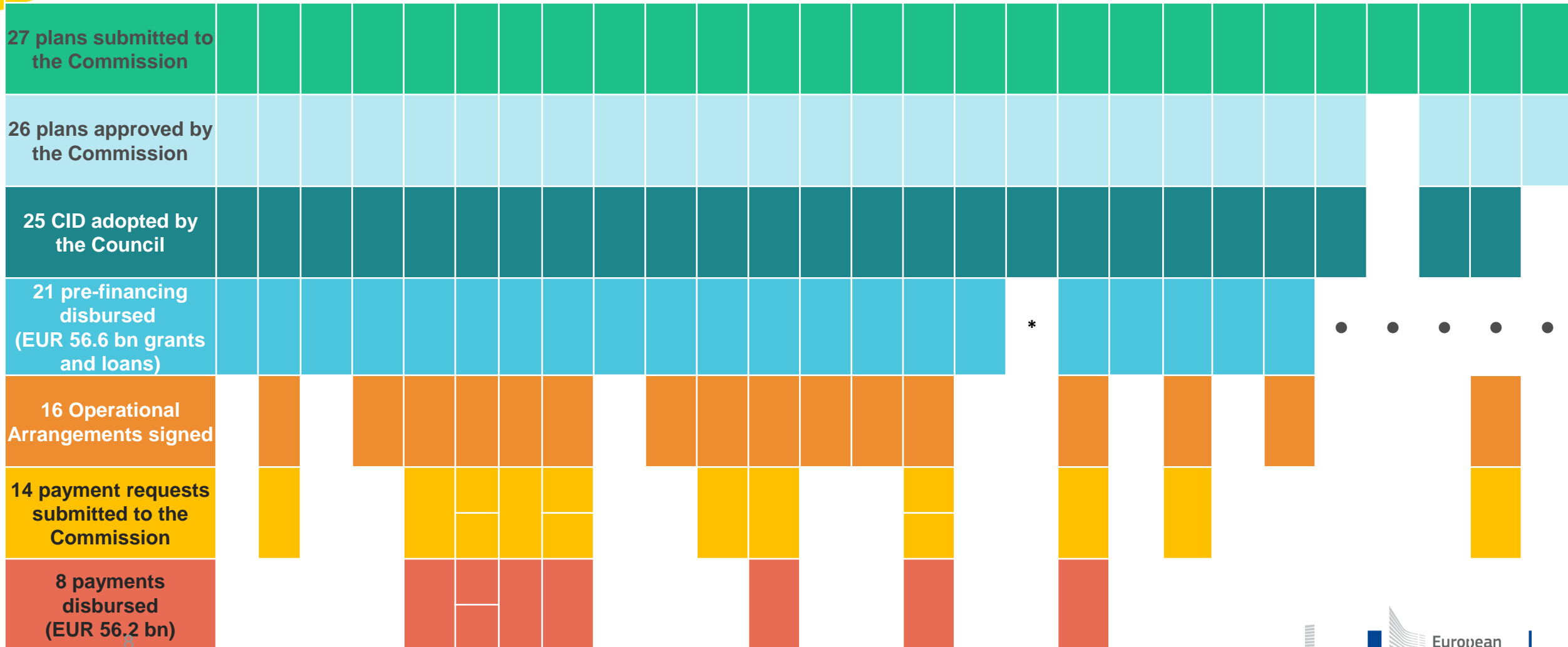
Implementation well underway – Tangible value added on the ground

-  Recovery and resilience plans are in place (26 out of 27)
-  EUR 113bn disbursed to Member States: EUR 57 bn in pre-financing + EUR 56 bn for fulfilled milestones and targets
-  11 Member States have submitted their first payment request (ES, IT, HR x 2)

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.

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

Payment requests ongoing

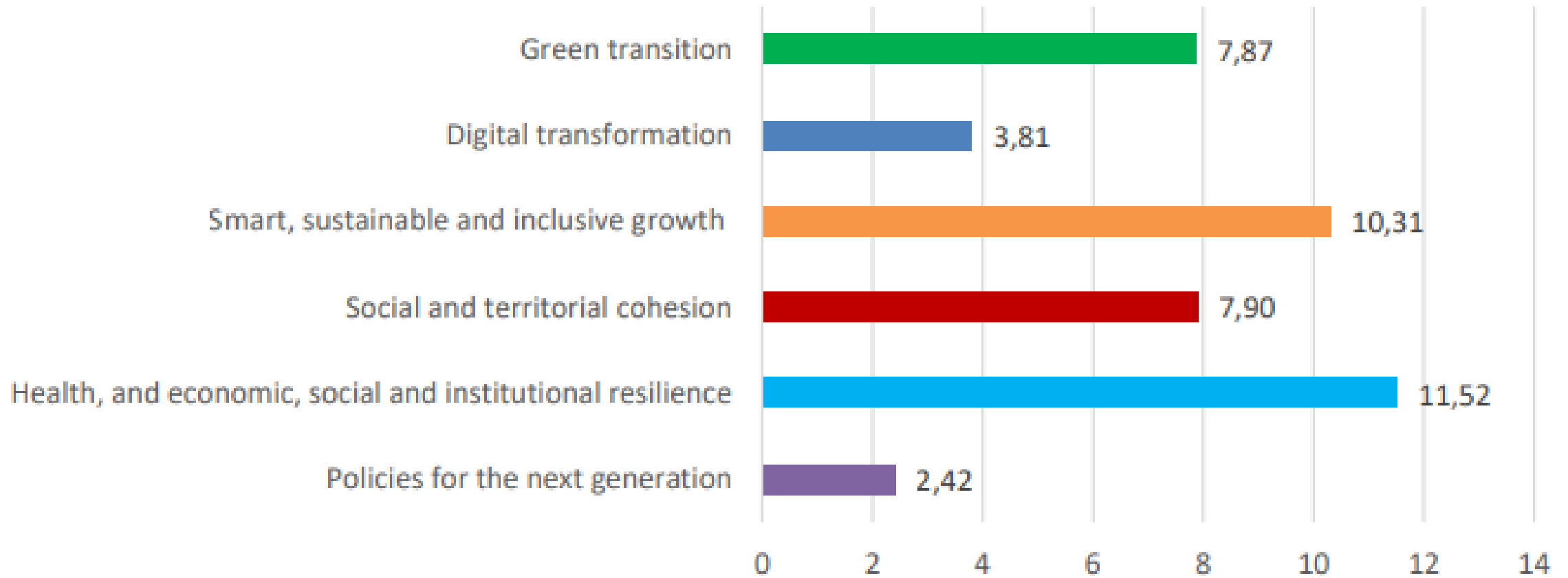


Member State	Requested amount (grants and/or loans)	Reforms and/or investments	Number of milestones and/or targets	Submission date	Status quo	Disbursement date
RO	EUR 2.944 bn (grants: 2.037 bn; loans: 907 mn)	Reforms and investments	21 milestones	31 May	EFC has to provide opinion	
IT	EUR 21 bn (grants: 10 bn; loans: 11 bn)	Reforms and investments	45 milestones and targets	29 June	COM preliminary assessment ongoing	
CY	EUR 85 mn (grants)	Reforms and investments	14 milestones and targets	28 July	COM preliminary assessment ongoing	
BG	EUR 1.37 bn (grants)	Reforms and investments	22 milestones and targets	31 August	COM preliminary assessment ongoing	
HR	EUR 700 mn (grants)	Reforms and investments	25 milestones and targets	20 September	COM preliminary assessment ongoing	

- Payment requests are submitted by Member States when milestones and targets are completed.
- Most Member States plan to submit payment requests twice a year, others once a year.
- The process on payment requests can be tracked on the RRF Scoreboard.

Payments by six pillars excluding pre-financing (billion EUR)

All graphs are based on data available at the time of publication



Contribution to the climate and digital targets and social policies

Estimated climate expenditure

- EUR 198 bn, about 40% of the total plans' allocation **exceeding the 37% target!**

Estimated digital expenditure

- EUR 127 billion, about 26% of the total plans' allocation **exceeding the 20% target!**

Estimated social expenditures

EUR 135 bn, about 30% of the total plans' allocation

Progress of RRP: reforms and investments

Examples of **reforms and investments** with fulfilled milestones:



Croatia adopted an Act on the Alternative Transport Fuels



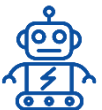
Italy adopted legislation to reform the justice system



Portugal adopted its National Strategy to Combat Poverty



France granted 400.000 bonuses for private housing renovation



Spain approved a Plan for the Digitalisation of SMEs



Greece tendered the construction of 13 Regional Civil Protection Centres (PEKEPP) through public-private partnerships schemes

Examples of RRP's measures supporting gender equality across the six pillars

Pillar 1 | Contribution to the green transition

Trainings in **green skills among women**; improving energy efficiency of **childcare facilities** (e.g. BE, CZ, FI, SI, ES)

Pillar 2 | Contribution to the digital transformation

Reforms to increase equal representation in **STEM and ICT**; girls' and women's **digital skills** (e.g. CY, EE, FI, IT, LV, PT, ES, SE)

Pillar 3 | Contribution to smart, sustainable and inclusive growth

Improving access to finance & skills development for **women entrepreneurs** (e.g. CY, FR, IT, PT, SI, ES)

Pillar 4 | Contribution to social and territorial cohesion

Reducing the **pension gender gap**, improving women's **participation in the labour market** (e.g. AT, CY, HR, IT, SI, ES)

Pillar 5 | Contribution to health and economic, social and institutional resilience

Supporting socially **disadvantaged pregnant women** and improving **working conditions** for nursing (e.g. AT, SE)

Pillar 6 | Contribution to policies for the next generation, children and the youth, such as education and skills

Increasing **access to early childhood education and care** (e.g. AT, BE, CY, CZ, DE, EL, IT, PL, SK, ES)

Conclusions after 18 months of RRF implementation

- The unique **demand-driven and performance based** nature of the RRF proves to be effective.
- Implementation of **reforms and investments on track**, supporting the acceleration of Europe's green and digital transitions, and helping MS tackle inequalities between women and men across the six pillars.
- The use of available RRF **loans**, as well as the inclusion of forthcoming **REPowerEU measures**, can strengthen the EU's capacity to adapt to new and evolving challenges.

Way forward: RRP can be modified for 3 reasons



1. Revision of the RRP to request a loan:

- Article 14 of the RRF Regulation;
- EUR 225 bn are still available (in current prices).



2. Update of the RRP to reflect the revised grant allocation:

- Article 18 of the RRF Regulation;
- Maximum financial contribution was updated by 30 June 2022 for all 27 Member States.



3. Amendment of the RRP if objective circumstances have rendered it (partly) unachievable:

- Article 21 of the RRF Regulation;
- Commission guidance published on 18 May 2022 provides further information.

Way forward: REPowerEU plan and its objectives



1st Pillar:
Diversify gas supplies
away from Russia



2nd pillar:
Reduce further the
Union's dependence
on fossil fuels

- **Phase-out EU's dependence on fossil fuels** from Russia well **before 2030** and increase resilience of the EU-wide energy system based on 2 pillars
- **Gas supply measures:**
 - Higher LNG imports and pipeline imports from non-Russian suppliers
 - Increase levels of biomethane and hydrogen
- Measures to **reduce fossil fuel dependence** at the level of homes, industry, and regarding power systems:
 - Boosting energy efficiency gains
 - Increasing the share of renewable energy sources
 - Addressing infrastructure bottlenecks

How will the RRF help deliver on these objectives?



Commission
proposal to
**amend the RRF
Regulation**



Guidance on
REPowerEU
chapter and
modifying RRFs

URGENCY TO ACT QUICKLY!

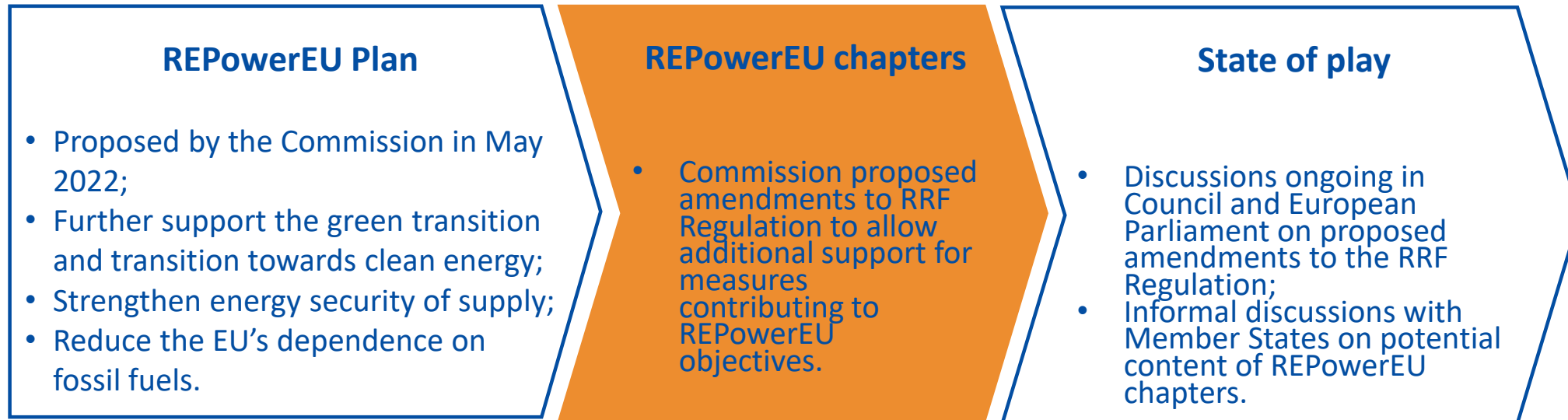
- Speed up **delivery of the large number of existing measures under RRF** that will already significantly decrease dependency on energy imports and improve resilience of Union's energy supply!
- Ensure that Member States can **submit** very quickly **revised RRFs including REPowerEU Chapters!**
- Modified RRFs need to **address 2022 CSRs**: Member States have to take into account **challenges aggravated by Russia's invasion of Ukraine** and **reduce energy dependence on fossil fuels!**

Way forward with the RRF



18 May 2022

- Adapting to new challenges with REPowerEU chapters: Commission proposal and guidance;
- Uptake of remaining loans (EUR 225bn available);
- Modification of RRFs if partially or totally unachievable due to objective circumstances.



Thank you!

More information:

- [Recovery and Resilience Facility | European Commission \(europa.eu\)](#)
- [Recovery and Resilience Scoreboard](#)
- [Annual Report on the RRF](#)
- [Review Report on the RRF](#)



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