



Council of the European Union
General Secretariat

**Interinstitutional files:
2020/0104(COD)**

Brussels, 09 July 2020

WK 7535/2020 INIT

LIMITE

**ECOFIN
REGIO
CADREFIN
CODEC**

This is a paper intended for a specific community of recipients. Handling and further distribution are under the sole responsibility of community members.

WORKING DOCUMENT

From:	General Secretariat of the Council
To:	Working Party of Financial Counsellors
Subject:	RRF - Consolidated comments on the Recovery and Resilience Facility

Delegations will find attached the consolidated MS comments on the Recovery and Resilience Facility Regulation. It will be discussed at the Financial Counsellors Working Party on 14 July 2020.

MS Replies by: ES, SK, BG, SE, NL, LV, AT, PL, LU, FI, PT, IE, LT, DK, HU, SI, SK, RO, EL, MT, BE, IT, FR

General comments:

PT:

Portugal broadly welcomes the RRF Proposal. Establishing an ambitious Recovery and Resilience Facility is of major relevance in the current juncture to ensure a swift and balanced recovery across Europe. Aligning it with the European semester is also an option we support. Portugal has been advocating for many years now for the need to develop an instrument providing positive incentives for MS to implement reforms and strategic investments in line with the European Semester.

We support the proposed balance between grants and loans as it is important to avoid fragmentation in the EU, while ensuring a stimulus to economic convergence.

Ambitious and growth-enhancing investments and reforms can only be successfully implemented if they are national owned. We value the recognition of the importance of the National Reform Programmes, which are aligned and provide answers to the Country Specific Recommendations.

Besides ownership, ambitious investments and reforms can only be implemented efficiently over several years. This is an effort that must be sustained in time, with the proper incentives. As such, the proposed timeframe for the implementation of the Recovery and Resilience Plans is balanced.

The RRF provides the proper structure to ensure ownership and the right time-window for implementation: First, if you don't ask, you don't get the money. Second, if you don't present reforms aligned with the CSRs, you don't get the money. Third, if you don't implement reforms and investments as agreed you don't get the money. We support this structure. We don't support going beyond this – there is no political or economic rationale for that.

On a related matter, it would be important to envisage a calibrated amount of pre-financing, linked to the first milestone. That amount would support the “kick-start” of the investment and would also provide a positive incentive to the implementation of the reforms. That pre-financing amount would be linked to future implementation, as envisaged in the current structure.

We also support the allocation key as proposed by the Commission – it has a clear link with the Needs Analysis and it targets resilience-building in light of the challenges caused by the current Pandemic. The key must be based on observable and verifiable data, not subject to ex-post revisions. We

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

do acknowledge it is not a perfect key – and if a discussion opens up on this we would be ready to propose several alternatives. However, we don't see the added value of opening it up at this stage, also having in mind that the RRF is part of a broader package.

We do believe that there is scope for a couple of improvements in the RRF, following these three guiding principles: (i) transparency; (ii) efficiency; and (iii) accountability. These are presented in the table and relate to target simplification of administrative procedures and references to the Euro Area Recommendation. We would also favour a greater strategic oversight role for the Council, without creating extra burdens or extending timelines, as well as a central role for the European Commission. The comitology should adopt the advisory procedure.

SE:

SE does not support grants from the facility (i.e. could only support loans) and understand that this is in brackets throughout the document

LV:

Can you please specify when there will be a possibility to provide comments on the Annex 2 of the Regulation proposal?

CY:

Welcome and support the proposal from the Commission and expect its speedy adoption.

Support the link to the EU Semester and to the CSRs, however national challenges to be taken in mind, increasing the ownership of reforms /investments thereto.

We do not support any link to macroeconomic conditionality as this is an instrument created because of the crisis caused by Covid -19.

Support front loading a respectable amount of the financing, at the request of a MS and upon approval of its Recovery and Resilience Plan as due to the crisis national budgetary resources are limited and an advance of the financing would provide the necessary firepower to kick off the implementation of the reform /investment.

Support to include the eligibility of reforms already on going in MS (provided they are assessed by the Commission and found to be in compliance with the eligibility criteria of the RRF), by allowing the retroactivity of the regulation already by this year.

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

On Article 20 support reporting to be aligned with disbursements bi annually.

AT:

Summary of AT positions (non-bracketed parts):

- No financing of measures to support financial stability;
- Facility shall expire on 31 December 2022;
- Strong link with SGP/MIP to enhance resilience and adjustment capacity;
- Recovery and Resilience Plans shall address structural challenges in a cost-efficient way, i.e. by legislative or other reforms with limited budgetary impact; funding from the EU level shall be used as a carrot for structural reform;
- Recovery and Resilience Plans shall support (the return to) medium-term fiscal sustainability;
- 25% of expenditure under the Facility for shall be used for climate objectives;
- Criteria for monitoring by the Commission (Annex III) shall be targeted at the economic impact of the Facility and cost-efficiency;

PL:

Annex II shall also be subjected to the written procedure as it is strictly intelinked with art. 16 (criteria) which are NOT in the square bracket. Specific comment is made in the article 16

LU:

As a general comment, we would like to stress that in order to assist Member States in the preparation of their RRP's and in order to allow discussions on these plans to take place on an objective basis, it would be important to further specify the criteria included in the Annex, thereby establishing benchmarks that Member States can rely on and refer to. In that context, particular importance should be given to criteria that contribute to the green and digital transition, as well as to the well-functioning of the internal market and the strengthening of the resilience of cross-border supply chains.

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: *6 July 2020 12:00PM CET*

FI:

The measures should target the current crisis only. The instrument should be temporary and the sunset clause should be activated by the end of 2022.

The size of the instrument should be smaller.

In order to strengthen the national ownership and to ensure cost-efficiency of the reform and investment package. co-financing, which can also be implemented through loans, could be introduced.

The allocation criteria of financial support should reflect the impacts of the Covid-19 crisis and should not be backward-looking. This could be done by looking at changes rather than levels and relying on forecasts.

We support the strong link to the European Semester and a strong role of the Council and relevant committees.

It is important to emphasise that we follow the “do no harm” principle when it comes to the EU environmental and climate goals.

DK:

We support a properly designed Recovery and Resilience Facility (RRF). It should:

- Provide loans on favorable terms instead of grants (financial contributions).
- Be substantially more limited in total size as proposed by the Commission.
- Be targeted recovery and resilience in Member States hardest hit (economically and socially) by the COVID-19 crisis.
- Be strictly temporary and a one off not to be repeated.
- Contribute effectively to the green and digital transition.
- Ensure strong national ownership of recovery and resilience plans (R&R plans) and thereby promote growth, employment, green and digital transition.
- Ensure that Member States receiving financial assistance respect EU fundamental rights (non-discrimination etc.) and rule of law.
- Have strong safeguards to avoid fraud, corruption and other criminal activities.

CZ:

CZ: We understand that the current proposal of the regulation is close to the Commission's original proposal of May 2018 to establish the Reform Support Programme.

We fully subscribe to the idea of a single and time-limited instrument for all the EU Member States.

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

Therefore, the RRF should be flexible enough and tailor-made to country-specific needs of individual Member States, which may differ even in the context of the COVID-19 recovery.

For the effective use of support from the RRF, we generally seek a high degree of flexibility and ownership of the Member States. The use of the RRF should be highly efficient without excessive administrative burden.

We welcome that the Commission's proposal does not include compulsory national co-financing.

IT:

Please note that Italy does not fully agree with the choices made for the bracketing of articles. In addition Italy is of the view that it should have been possible to also send comments on Annex 2 which was not included in the table. Comments to Annex 2 are therefore included below after art. 16.

	Commission proposal	Comments
1.	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a Recovery and Resilience Facility THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

2.	Having regard to the Treaty on the Functioning of the European Union, and in particular the third paragraph of Article 175 thereof,	
3.	Having regard to the proposal from the European Commission,	
4.	After transmission of the draft legislative act to the national parliaments,	
5.	Having regard to the opinion of the European Economic and Social Committee ¹ ,	
6.	Having regard to the opinion of the Committee of the Regions ² ,	
7.	Acting in accordance with the ordinary legislative procedure,	
8.		
9.	Whereas:	

¹ OJ C , , p. .

² OJ C , , p. .

10.		
11.	<p>(1) In accordance with Articles 120 and 121 of the Treaty on the Functioning of the European Union ('the Treaty'), Member States are required to conduct their economic policies with a view to contributing to the achievement of the objectives of the Union and in the context of the broad guidelines that the Council formulates. Under Article 148 of the Treaty Member States shall implement employment policies that take into account the guidelines for employment. The coordination of the economic policies of the Member States is therefore a matter of common concern.</p>	<p>DK: (Drafting):</p> <p>(1) In accordance with Articles 120 and 121 of the Treaty on the Functioning of the European Union ('the Treaty'), Member States are required to conduct their economic policies with a view to contributing to the achievement of the objectives of the Union and in the context of the broad guidelines that the Council formulates. <u>In accordance with Article 126 of the Treaty, Member States shall avoid excessive government deficits.</u> Under Article 148 of the Treaty Member States shall implement employment policies that take into account the guidelines for employment. The coordination of the economic policies of the Member States is therefore a matter of common concern.</p> <p>DK: (Comments):</p> <p><u>We support a stronger emphasize on the resilience part of the objective of the Facility, including sound public finances, to ensure that Member States are better prepared to withstand an economic crisis in the future.</u></p> <p><u>Compliance with the Stability and Growth Pact helps ensure that the crisis-response remains targeted and temporary and safeguard fiscal sustainability as a basis for restoring sustainable growth, jobs and promoting the green transition and welfare.</u></p> <p>SE: (Drafting):</p> <p>In accordance with Articles 120 and 121 of the Treaty on the Functioning of the European Union ('the Treaty'), Member States are required to conduct their economic policies with a view to contributing to the achievement of the objectives of the Union and in the context of the broad guidelines that the Council formulates. <u>In accordance with Article 126 of the Treaty, Member States shall avoid excessive government deficits.</u> Under Article 148</p>

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

		<p>of the Treaty Member States shall implement employment policies that take into account the guidelines for employment. The coordination of the economic policies of the Member States is therefore a matter of common concern.</p> <p>SE: (Comments):</p> <p>There should also be a reference to the Stability and Growth Pact</p> <p>AT: (Comments):</p> <p>The Broad Economic Policy Guidelines should be updated with a view to identifying the reform and investment areas most relevant for resilience and adjustment capacity of Member States and the green and digital transitions.</p>
12.		
13.	<p>(2) Article 175 of the Treaty provides, inter alia, that Member States should coordinate their economic policies in such a way as to attain the objectives on economic, social and territorial cohesion set out in Article 174.</p>	
14.		
15.	<p>(3) At Union level, the European Semester of economic policy coordination ('European Semester'), including the principles</p>	<p>BE: (Drafting):</p> <p>(3) At Union level, the European Semester of economic policy coordination ('European Semester'), including the principles of the European Pillar of Social Rights, is the framework to identify national reform priorities and</p>

	of the European Pillar of Social Rights, is the framework to identify national reform priorities and monitor their implementation. Member States develop their own national multiannual investment strategies in support of those reforms. Those strategies should be presented alongside the yearly National Reform Programmes as a way to outline and coordinate priority investment projects to be supported by national and/or Union funding.	monitor their implementation. Member states develop their own national multiannual investment strategies in support of those reforms, in line with National Energy and Climate Plans, Just Transition Plans and Partnership Agreements and Operational Programmes under EU Funds. Those strategies should be presented alongside the yearly National Reform Programmes as a way to outline and coordinate priority investment projects to be supported by national and/or Union funding.
16.		
17.	(4) The outbreak of the COVID-19 pandemic in early 2020 changed the economic outlook for the years to come in the Union and in the world, calling for an urgent and coordinated response from the Union in order to cope with the enormous economic and social consequences for all Member. The challenges linked to the	<p>FI: (Comments):</p> <p><u>What is the meaning of “demographic context” here? Is it related to the ageing population and the vulnerability of the health care system?</u></p> <p>IE: (Drafting):</p> <p>4) The outbreak of the COVID-19 pandemic in early 2020 changed the economic outlook for the years to come in the Union and in the world, calling for an urgent and coordinated response from the Union in order to cope with the enormous economic and social consequences for all Member <u>States</u>. The challenges linked to the demographic context have been amplified by COVID-19. The current COVID-19 pandemic as well as the</p>

<p>demographic context have been amplified by COVID-19. The current COVID-19 pandemic as well as the previous economic and financial crisis have shown that developing sound and resilient economies and financial systems built on strong economic and social structures helps Member States to respond more efficiently to shocks and recover more swiftly from them. The medium and long-term consequences of the COVID-19 crisis will critically depend on how quickly Member States' economies will recover from the crisis, which in turn depends on the fiscal space Member States have available to take measures to mitigate the social and economic impact of the crisis, and on the resilience of their economies. Reforms and investments to address structural weaknesses of the economies and strengthen their resilience will therefore be essential to set the</p>	<p>previous economic and financial crisis have shown that developing sound and resilient economies and financial systems built on strong economic and social structures helps Member States to respond more efficiently to shocks and recover more swiftly from them. The medium and long-term consequences of the COVID-19 crisis will critically depend on how quickly Member States' economies will recover from the crisis, which in turn depends on the fiscal space Member States have available to take measures to mitigate the social and economic impact of the crisis, and on the resilience of their economies. Reforms and investments to address structural weaknesses of the economies and strengthen their resilience will therefore be essential to set the economies back on a sustainable recovery path and avoid further widening of the divergences in the Union</p> <p>IE: (Comments): Typo.</p> <p>DK: (Drafting):</p> <p>(4) The outbreak of the COVID-19 pandemic in early 2020 changed the economic outlook for the years to come in the Union and in the world, calling for an urgent and coordinated response from the Union in order to cope with the enormous economic and social consequences for all Member. The challenges linked to the demographic context have been amplified by COVID-19. The current COVID-19 pandemic as well as the previous economic and financial crisis have shown that developing sound and resilient economies and financial systems built on strong economic and social structures helps Member States to respond more efficiently to shocks and recover more swiftly from them. The medium and long-term consequences of the COVID-19 crisis will critically depend on how quickly Member States' economies will recover from the crisis, which in turn depends on the fiscal space Member States have available to take measures to mitigate the social and economic impact of the crisis, and on the resilience of their economies. Reforms and investments to address structural weaknesses of the economies and strengthen their resilience <u>and the achievement of sound medium-term budgetary positions ensuring sufficient fiscal space,</u> will therefore be essential to set the economies back on a sustainable recovery path and avoid further widening of the divergences in the Union.</p>
--	--

	economies back on a sustainable recovery path and avoid further widening of the divergences in the Union.	<p>SE: (Drafting):</p> <p>The outbreak of the COVID-19 pandemic in early 2020 changed the economic outlook for the years to come in the Union and in the world, calling for an urgent and coordinated response from the Union in order to cope with the enormous economic and social consequences for all Member. The challenges linked to the demographic context have been amplified by COVID-19. The current COVID-19 pandemic as well as the previous economic and financial crisis have shown that developing sound and resilient economies and financial systems built on strong economic and social structures helps Member States to respond more efficiently to shocks and recover more swiftly from them. The medium and long-term consequences of the COVID-19 crisis will critically depend on how quickly Member States' economies will recover from the crisis, which in turn depends on the fiscal space Member States have available to take measures to mitigate the social and economic impact of the crisis, and on the resilience of their economies. Reforms and investments to address structural weaknesses of the economies and strengthen their resilience <u>and the achievement of sound medium-term budgetary positions ensuring sufficient fiscal space,</u> will therefore be essential to set the economies back on a sustainable recovery path and avoid further widening of the divergences in the Union.</p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future.</p>
18.		
19.	(5) The implementation of reforms contributing to achieve a high degree of resilience of domestic economies, strengthening	<p>DK: (Drafting):</p> <p>(5) The implementation of reforms contributing to achieve a high degree of resilience of domestic economies, strengthening adjustment capacity and unlocking growth potential are among the Union's policy priorities. <u>The achievement of sound medium-term budgetary positions will further strengthen resilience and ensure</u></p>

	<p>adjustment capacity and unlocking growth potential are among the Union's policy priorities. They are therefore crucial to set the recovery on a sustainable path and support the process of upward economic and social convergence. This is even more necessary in the aftermath of the pandemic crisis to pave the way for a swift recovery.</p>	<p><u>sufficient fiscal space.</u> They are therefore crucial to set the recovery on a sustainable path and support the process of upward economic and social convergence. This is even more necessary in the aftermath of the pandemic crisis to pave the way for a swift recovery.</p> <p>SE: (Drafting):</p> <p>The implementation of reforms contributing to achieve a high degree of resilience of domestic economies, strengthening adjustment capacity and unlocking growth potential are among the Union's policy priorities. <u>The achievement of sound medium-term budgetary positions will further strengthen resilience and ensure governments have enough room to manoeuvre.</u> They are therefore crucial to set the recovery on a sustainable path and support the process of upward economic and social convergence. This is even more necessary in the aftermath of the pandemic crisis to pave the way for a swift recovery.</p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future.</p>
20.		
21.	<p>(6) Past experiences have shown that investment is often drastically cut during crises. However, it is essential to support investment in this particular situation to speed up the recovery and strengthen long-term growth potential. Investing in green and</p>	<p>IE: (Drafting):</p> <p>Past experiences have shown that investment is often drastically cut during crises. However, it is essential to support investment in this particular situation to speed up the recovery and strengthen long-term growth potential. Investing in green and digital technologies, capacities and processes aimed at assisting clean energy transition, boosting energy efficiency in housing and other key sectors of the economy¹⁶ are important to achieve sustainable growth and help create jobs. It will also help make the Union more resilient and less dependent by diversifying key supply chains.</p>

	<p>digital technologies, capacities and processes aimed at assisting clean energy transition, boosting energy efficiency in housing and other key sectors of the economic are important to achieve sustainable growth and help create jobs. It will also help make the Union more resilient and less dependent by diversifying key supply chains.</p>	<p>IE: (Comments): Typo.</p> <p>DK: (Drafting):</p> <p>(6) Past experiences have shown that investment is often drastically cut during crises. However, it is essential to support investment in this particular situation to speed up the recovery and strengthen long-term growth potential. Investing<u>A well-functioning Single Market and investing</u> in green and digital technologies, capacities and processes aimed at assisting clean energy transition, boosting energy efficiency in housing and other key sectors of the economic are important to achieve sustainable growth and help create jobs. It will also help make the Union more resilient and less dependent by diversifying key supply chains.</p> <p>DK: (Comments):</p> <p><u>The importance of a well-functioning Single Market should also be emphasised.</u></p> <p>ES: (Drafting):</p> <p>(6) Past experiences have shown that investment is often drastically cut during crises. However, it is essential to support investment <u>in the short-term</u> in this particular situation to speed up the recovery and strengthen long-term growth potential. Investing in green and digital technologies, capacities and processes aimed at assisting clean energy transition, boosting energy efficiency in housing and other key sectors of the economic are important to achieve sustainable growth and help create jobs. It will also help make the Union more resilient and less dependent by diversifying key supply chains.</p> <p>ES: (Comments):</p> <p>It is essential to frontload financial support to effectively speed up the recovery.</p> <p>BG: (Drafting):</p>
--	---	---

		<p>Investing in green and digital technologies, capacities and processes aimed at assisting clean energy transition, boosting energy efficiency in housing and other key sectors of the economie economy are important to achieve sustainable growth and help create jobs.</p> <p>BG: (Comments):</p> <p>Technical correction.</p> <p>SE: (Drafting):</p> <p>Past experiences have shown that investment is often drastically cut during crises. However, it is essential to support investment in this particular situation to speed up the recovery and strengthen long-term growth potential. <u>A well-functioning single market and</u> investing in green and digital technologies, capacities and processes aimed at assisting clean energy transition, boosting energy efficiency in housing and other key sectors of the economic are important to achieve sustainable growth and help create jobs. It will also help make the Union more resilient and less dependent by diversifying key supply chains.</p> <p>SE: (Comments):</p> <p>The importance of a well-functioning single market should also be emphasised.</p>
22.		
23.	(7) Currently, no instrument foresees direct financial support linked to the achievement of results and to implementation of reforms and public investments of the Member States in response to	<p>LU: (Drafting):</p> <p>Currently, no instrument foresees direct financial support linked to the achievement of results and to implementation of reforms and public investments of the Member States in response to challenges identified in the European Semester and at national level, and with a view to having a lasting impact on the productivity and resilience of the economy of the Member States.</p>

	challenges identified in the European Semester, and with a view to having a lasting impact on the productivity and resilience of the economy of the Member States.	<p>LU: (Comments):</p> <p>While the European Semester is certainly an important source to identify challenges, it shouldn't be the only one.</p>
24.		
25.	<p>(8) Against this background, it is necessary to strengthen the current framework for the provision of support to Member States and provide direct financial support to Member States through an innovative tool. To that end, a Recovery and Resilience Facility (the 'Facility') should be established under this Regulation to provide effective financial and significant support to step up the implementation of reforms and related public investments in the Member States. The Facility should be comprehensive and should also benefit from the experience gained by the Commission and the Member States from the use of the</p>	<p>FI: (Drafting):</p> <p><u>(8) Against this background, it is necessary to strengthen the current framework for the provision of support to Member States and provide direct financial support to Member States through a new innovative EU tool. To that end, a Recovery and Resilience Facility (the 'Facility') should be established under this Regulation to provide effective financial and significant support to step up the implementation of reforms and related public investments in the Member States. The Facility should be comprehensive and should also benefit from the experience gained by the Commission and the Member States from the use of the other instruments and programmes.</u></p> <p>FI: (Comments):</p> <p><u>Why "innovative tool"? Not necessary, could be deleted</u></p> <p>DK: (Drafting):</p> <p>(8) Against this background, it is necessary to strengthen the current framework for the provision of support to Member States and provide direct financial support to Member States through an innovative tool. To that end, a Recovery and Resilience Facility (the 'Facility') should be established under this Regulation to provide effective financial and significant support to step up the implementation of reforms and related public investments in the Member States. The Facility should be comprehensive and should also benefit from the experience gained by the</p>

	other instruments and programmes.	<p>Commission and the Member States from the use of the other instruments and programmes.</p> <p>ES: (Drafting):</p> <p>(8) Against this background, it is necessary to strengthen the current framework for the provision of support to Member States and provide direct financial support to Member States through an innovative tool. To that end, a Recovery and Resilience Facility (the ‘Facility’) should be established under this Regulation to provide effective financial and significant support <u>in the short-term</u> to step up the implementation of reforms and related public investments in the Member States. The Facility should be comprehensive and should also benefit from the experience gained by the Commission and the Member States from the use of the other instruments and programmes.</p> <p>ES: (Comments):</p> <p>First proposed change: importance of frontloading resources in order to speed up the recovery.</p> <p>Second proposed change: reforms and investments do not necessarily need to be interrelated. Hence, we propose the deletion of ‘related’.</p> <p>SE: (Drafting):</p> <p>Against this background, it is necessary to strengthen the current framework for the provision of support to Member States and provide direct financial support to Member States through an innovative tool. To that end, a Recovery and Resilience Facility (the ‘Facility’) should be established under this Regulation to provide effective financial and significant support to step up the implementation of reforms and related public investments in the Member States. The Facility should be comprehensive and should also benefit from the experience gained by the Commission and the Member States from the use of the other instruments and programmes.</p> <p>LV: (Drafting):</p>
--	-----------------------------------	--

		<p>(8) Against this background, it is necessary to strengthen the current framework for the provision of support to Member States and provide direct financial support to Member States through an innovative tool. To that end, a Recovery and Resilience Facility (the ‘Facility’) should be established under this Regulation to provide effective financial and significant support to step up the implementation of reforms and related public investments in the Member States. The Facility should be comprehensive, should also benefit from the experience gained by the Commission and the Member States from the use of the other instruments and programmes <u>and should support Member State investment needs that are significant for socio-economic recovery.</u></p> <p>LV: (Comments):</p> <p>Latvia suggests adding the reference to the national-level investment needs that are crucial for socio-economic recovery. We think that the Facility should take into account country-specifics and should foster investments to country-specific investment areas. There is no “one fits all” solution in tackling the impact of the Covid-19 crisis, and the response should be country-specific, too.</p>
26.		
27.	<p>(9) The types of financing and the methods of implementation under this Regulation should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance.</p>	<p>FI: (Comments):</p> <p><u>Unclear reference</u></p> <p>PT: (Comments):</p> <p>We signal that grants are the most effective way to achieve the objectives of the RRF, providing greater economic impact, as clearly explained in the Commission’s Needs Assessment.</p> <p>Moreover, there is no justification to include a national co-financing rate in this specific and crisis-related instrument.</p>

	<p>This should include consideration of the use of lump sums, flat rates and unit costs, as well as financing not linked to costs as referred to in Article 125(1)(a) of the Financial Regulation.</p>	<p>ES: (Drafting):</p> <p>(9) The types of financing and the methods of implementation under this Regulation should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results <u>in the short term,</u> taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. This should include consideration of the use of lump sums <u>and pre-financing,</u> flat rates and unit costs, as well as financing not linked to costs as referred to in Article 125(1)(a) of the Financial Regulation.</p> <p>ES: (Comments):</p> <p>Pre-financing options should be envisaged within the Facility so as to avoid additional indebtedness by Member States to finance the costs of investments and reforms prior to receiving disbursements under the facility.</p>
28.		
29.	<p>(10) In accordance with Regulation [European Union Recovery Instrument] and within the limits of resources allocated therein, recovery and resilience measures under the Recovery and Resilience Facility should be carried out to address the unprecedented impact of the COVID-19 crisis. Such additional resources should be used in such a way as to ensure compliance with</p>	

	the time limits provided for in Regulation [EURI].	
30.		
31.	<p>(11) Reflecting the European Green Deal as Europe's sustainable growth strategy and the translation of the Union's commitments to implement the Paris Agreement and the United Nations' Sustainable Development Goals, the Facility established by this Regulation will contribute to mainstreaming climate actions and environmental sustainability and to the achievement of an overall target of [25] % of the EU budget expenditures supporting climate objectives.</p>	<p>LU: (Drafting):</p> <p>(11) Reflecting the European Green Deal as Europe's sustainable growth strategy and the translation of the Union's commitments to implement the Paris Agreement and the United Nations' Sustainable Development Goals, the Facility established by this Regulation will contribute to mainstreaming climate actions and environmental sustainability and to the achievement of an overall target of [25] % of the EU budget expenditures supporting climate objectives. At least 25% of the grants and loans under this Facility will be channeled into climate actions and environmental sustainability.</p> <p>LU: (Comments):</p> <p>The overall target of 25% should also be reflected in the RRF regulation by setting a specific climate target for the RRF itself.</p> <p>FI: (Drafting):</p> <p>(11) Reflecting the European Green Deal as Europe's sustainable growth strategy and the translation of the Union's commitments to implement the Paris Agreement and the United Nations' Sustainable Development Goals, the Facility established by this Regulation will contribute to mainstreaming climate actions and environmental sustainability and to the achievement of an overall target of [25] % of the EU budget expenditures supporting climate objectives. Actions under the Recovery and Resilience Facility shall do no harm to EU climate and environment goals.</p>

		<p>FI: (Comments):</p> <p><u>It is important to emphasise that we follow the “do no harm” principle.</u></p> <p>DK: (Drafting):</p> <p>(11) Reflecting the European Green Deal as Europe’s sustainable growth strategy and the translation of the Union's commitments to implement the Paris Agreement and the United Nations’ Sustainable Development Goals, the Facility established by this Regulation will contribute to mainstreaming climate actions and environmental sustainability and to the achievement of an overall target of [25] % of the EU budget expenditures supporting climate objectives.</p> <p><u>At least 25 % of the overall financial assistance from the Facility should contribute to climate objectives. Actions under the Facility shall do no harm to EU climate and environment goals.</u></p> <p><u>The contribution of the Facility to the achievement of the climate target will be tracked through the methodology as described in Annex I of the Common Provisions Regulation.</u></p> <p>DK: (Comments):</p> <p><u>Green transition is key. We need a minimum target of at least 25 percent. Further, a no-harm principle must be introduced.</u></p> <p><u>To ensure proper tracking of climate expenses, the methodology worked out in the Common Provisions Regulation Annex I could be used.</u></p> <p>SE: (Drafting):</p> <p>Reflecting the European Green Deal as Europe’s sustainable growth strategy and the translation of the Union's</p>
--	--	---

		<p>commitments to implement the Paris Agreement and the United Nations’ Sustainable Development Goals, the Facility established by this Regulation will contribute to mainstreaming climate actions and environmental sustainability and to the achievement of an overall target of [25] % of the EU budget expenditures supporting climate objectives. <u>Operations under the Facility are expected to contribute at least [25] % of the overall financial envelope of the Facility to climate objectives.</u></p> <p><u>The contribution of the Facility to the achievement of the climate target will be tracked through the methodology as described in Annex I of the Regulation (EU)XXX/XX of the European Parliament and the Council [Common Provisions Regulation].</u></p> <p><u>Actions under the Recovery and Resilience Facility shall do no harm to EU climate and environment goals.</u></p> <p>SE: (Comments):</p> <p>It will be very difficult to obtain an overall climate target of at least 25 % for MFF if RRF does not contain a goal.</p> <p>NL: (Drafting):</p> <p>(11) Reflecting the European Green Deal as Europe’s sustainable growth strategy and the translation of the Union's commitments to implement the Paris Agreement and the United Nations’ Sustainable Development Goals, the Facility established by this Regulation will contribute to mainstreaming climate actions and environmental sustainability and to the achievement of an overall target of [25] % of the EU budget expenditures supporting climate objectives. <u>Operations under the Facility are expected to contribute at least 25 % of the overall financial envelope of the Facility to climate objectives.</u></p> <p><u>The methodology used for the calculation of support to climate objectives is the methodology set out in the annex I of the Regulation (EU) No XXX/XX of the European Parliament and of the Council [CPR].</u></p> <p><u>Actions under the Recovery and Resilience Facility shall do no harm to EU climate and environment goals.</u></p>
--	--	---

	<p>NL: (Comments):</p> <p>We would like to see a dedicated climate mainstreaming percentage for the RRF included in the regulation of at least 25%.</p> <p>To ensure proper tracking of climate expenses, we would like to use the methodology worked out in the Common Provisions Regulation Annex I.</p> <p>Lastly, we would like to lay down the applicability of the do not harm principle from the Green Deal in the regulation.</p> <p>AT: (Drafting):</p> <p>(11) Reflecting the European Green Deal as Europe's sustainable growth strategy and the translation of the Union's commitments to implement the Paris Agreement and the United Nations' Sustainable Development Goals, the Facility established by this Regulation will contribute to mainstreaming climate actions and environmental sustainability and to the achievement of an overall target of [25] % of the EU budget expenditures supporting climate objectives. Operations under the Facility are expected to contribute at least 25 % of the overall financial envelope of the Facility to climate objectives.</p> <p>The methodology used for the calculation of support to climate objectives is the methodology set out in the annex I of the Regulation (EU) No XXX/XX of the European Parliament and of the Council [CPR].</p> <p>Actions under the Recovery and Resilience Facility shall do no harm to EU climate and environment goals.</p> <p>AT: (Comments):</p> <p>We would like to see a dedicated climate mainstreaming percentage for the RRF included in the regulation of at least 25%.</p>
--	---

		<p>To ensure proper tracking of climate expenses, we would like to use the methodology worked out in the Common Provisions Regulation Annex I.</p> <p>Lastly, we would like to lay down the applicability of the do not harm principle from the Green Deal in the regulation.</p> <p>FR: (Drafting):</p> <p>(11) Reflecting the European Green Deal as Europe's sustainable growth strategy and the translation of the Union's commitments to implement the Paris Agreement and the United Nations' Sustainable Development Goals, the Facility established by this Regulation will contribute to mainstreaming climate actions and environmental sustainability and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. <u>In this regard, actions under this facility are expected to contribute 30% of the overall financial envelope of the facility to green transition objectives.</u></p> <p>FR: (Comments):</p> <p><i>FR : The introduction of this provision makes it possible to better materialize the contribution to the green transition of the recovery tool through quantified objectives. Could the Commission give more details on the climate tracking methodology announced in the second half of the year? Does it plan to build on existing tools such as the annex to the CPR regulation? This information is needed quickly for the design of recovery plans.</i></p>
32.		<p>SE: (Drafting):</p> <p><u>New: Recognising that the promotion of equality between women and men is a task for the Union, in all its activities, that gender equality is a core value of the EU, a fundamental right and key principle of the European Pillar of Social Rights, that no Member State has achieved full gender equality and progress is slow, the Facility established by this Regulation is to contribute to gender mainstreaming.</u></p>

		<p>SE: (Comments):</p> <p>Gender equality as a core value of EU should be emphasised and RRF to contribute to gender mainstreaming.</p>
33.	<p>(12) In order to implement these overall objectives, relevant actions will be identified during the Facility's preparation and implementation, and reassessed in the context of the relevant evaluations and review processes. Also, due attention should be paid to the impact of the national plans submitted under this Regulation on fostering not only the green transition, but also the digital transformation. They will both play a priority role in relaunching and modernising our economy.</p>	<p>ES: (Comments):</p> <p>Clarifications on the meaning of this paragraph are warranted (meaning of relevant actions, of 'the Facility's preparation, and the implications of the identification of these actions for the functioning of the Facility).</p> <p>RO: (Drafting):</p> <p>(12) In order to implement these overall objectives, relevant actions will be identified during the Facility's preparation and implementation, and reassessed in the context of the relevant evaluations and review processes. Also, due attention should be paid to the impact of the national plans submitted under this Regulation on fostering not only the green transition, but also and the digital transformation, while also taking into consideration the national specificities. Green transition and digital transformation They will both play a priority role in relaunching and modernising our economy.</p> <p>RO: (Comments):</p> <p>In some cases, the climate and digital transition can generate short-term economic costs, and in this sense, it is necessary to take into account national specificities of the Member States, encouraging a gradual process and limiting the transition corresponding costs.</p> <p>Also, as RRF is aligned with European Semester and CSRs, and as stated in recital 10 "recovery and resilience measures under the RRF should be carried out to address the unprecedented impact of the Covid-19 crisis". So the focus should not be put exclusively on these two priorities (green and digital), but also on specific national challenges, as confirmed by the CSRs. Moreover, as presented by the Commission in its document accompanying the 2020 CSRs (https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0500&from=EN ,</p>

		<p>pg 5-6), the CSRs follow the concept first embedded in the Annual Growth Strategy, namely the “competitive stability”. This concept consists of 4 dimensions, Green Deal being just one of them, while Fairness, Stability and Productivity dimensions all could cover for example areas like public investment in basic infrastructure, depending on national specificities and also on specific CSRs (for RO e.g, investment in transport, energy and environment infrastructure are included in CSRs both in 2019 and 2020).</p> <p>BE: (Drafting):</p> <p>(12) In order to implement these overall objectives, relevant actions will be identified during the Facility’s preparation and implementation, and reassessed in the context of the relevant evaluations and review processes. Also, due attention should be paid to the impact of the national plans submitted under this Regulation on fostering not only both the green transition, but also and the digital transformation. They will both play a priority role in relaunching and modernising our economy.</p>
34.		
35.	<p>(13) In order to enable measures to be taken that link the Facility to sound economic governance, with a view to ensuring uniform implementing conditions, the power should be conferred on the Council to suspend, on a proposal from the Commission and by means of implementing acts, the period of time for the adoption of decisions</p>	<p>AT: (Drafting):</p> <p>13) In order to enable measures to be taken that link the Facility to sound economic governance and non-fraudulent behaviour, with a view to ensuring uniform implementing conditions, the power should be conferred on the Council to suspend, on a proposal from the Commission and by means of implementing acts, the period of time for the adoption of decisions on proposals for recovery and resilience plans and to suspend as well as reclaim payments under this Facility, in the event of significant non-compliance in relation to the relevant cases related to the economic governance process laid down in the Regulation (EU) No XXX/XX of the European Parliament and of the Council [CPR] (...) or any legal misconduct. The power to lift those suspensions by means of implementing acts, on a proposal from the Commission, should also be conferred on the Council in relation to the</p>

	on proposals for recovery and resilience plans and to suspend payments under this Facility, in the event of significant non-compliance in relation to the relevant cases related to the economic governance process laid down in the Regulation (EU) No XXX/XX of the European Parliament and of the Council [CPR] (...). The power to lift those suspensions by means of implementing acts, on a proposal from the Commission, should also be conferred on the Council in relation to the same relevant cases.	<p>same relevant cases.</p> <p>AT: (Comments):</p> <p>There should be an option to “claw back” payments to support ownership and limit moral hazard, fraud etc. Suspending only might not do the trick.</p>
36.		
37.	(14) The Facility’s general objective should be the promotion of economic, social and territorial cohesion. For that purpose, it should contribute to improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, and supporting the green	<p>PL: (Drafting):</p> <p>[...]and supporting the green and digital transitions aimed at achieving a climate neutral Europe by 2050, thereby restoring the growth potential of the economies of the Union in the aftermath of the crisis, fostering employment creation, boosting investments in key sectors and to promoting sustainable growth.</p> <p>PL: (Comments):</p> <p>This addition is the result of the importance of public financing in fostering sustainable growth.</p>

	<p>and digital transitions aimed at achieving a climate neutral Europe by 2050, thereby restoring the growth potential of the economies of the Union in the aftermath of the crisis, fostering employment creation and to promoting sustainable growth.</p>	<p>DK: (Drafting):</p> <p>(14) The Facility's general objective should be the promotion of economic, social and territorial cohesion. For that purpose, it should contribute to improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions aimed at achieving a climate neutral Europe by 2050, thereby restoring the growth potential of the economies of the Union in the aftermath of the crisis, fostering employment creation, <u>the achievement of sound medium-term budgetary positions allowing room for budgetary manoeuvre</u>, and to promoting sustainable growth.</p> <p>ES: (Drafting):</p> <p>(14) The Facility's general objective should be the promotion of economic, social and territorial cohesion. For that purpose, it should contribute to <u>speeding up the recovery from the Covid-19 crisis, and to</u> improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions aimed at achieving a climate neutral Europe by 2050, thereby restoring the growth potential of the economies of the Union in the aftermath of the crisis, fostering employment creation and to promoting sustainable growth.</p> <p>SE: (Drafting):</p> <p>The Facility's general objective should be <u>to address the economic impact of the COVID-19 crisis. It should promote</u> the promotion of economic, social and territorial cohesion. For that purpose, it should contribute to improving the resilience and adjustment capacity of the Member States <u>by addressing challenges of a structural nature</u>, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions aimed at achieving a climate neutral Europe by 2050, thereby restoring the growth potential of the economies of the Union in the aftermath of the crisis, fostering employment creation-, <u>the achievement of sound medium-term budgetary positions allowing room for budgetary manoeuvre</u>, and to promoting sustainable growth.</p>
--	---	--

		<p>SE: (Comments):</p> <p>It is important to make a clear link to the COVID-19 crisis upfront. It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future</p> <p>AT: (Drafting):</p> <p>(14) The Facility’s general objective should be the promotion of economic, social and territorial cohesion in the aftermath of the COVID-19 pandemic. For that purpose, it should contribute to improving the resilience and adjustment capacity of the Member States by addressing challenges of a structural nature, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions aimed at achieving a climate neutral Europe by 2050, thereby restoring the growth potential of the economies of the Union in the aftermath of the crisis, fostering employment creation and to promoting sustainable growth.</p> <p>AT: (Comments):</p> <p>The objectives of the Facility should be linked to the pandemic.</p> <p>A reference to addressing medium- to long-term structural challenges identified in the EU Semester process is needed, since these are key to preparing EU economies better for future crises. The proposed wording is taken from the Explanatory Memorandum, Section 2, under Subsidiarity.</p>
38.		
39.	(15) The specific objective of the Facility should be to provide financial support with a view to achieving the milestones and targets of reforms and investments	<p>SE: (Drafting):</p> <p>The specific objective of the Facility should be to provide financial support with a view to <u>in exchange for</u> achieving the milestones and targets of reforms and investments as set out in recovery and resilience plans. That specific objective should be pursued in close cooperation with the Member States concerned.</p>

	<p>as set out in recovery and resilience plans. That specific objective should be pursued in close cooperation with the Member States concerned.</p>	<p>SE: (Comments):</p> <p>Sweden strongly supports the approach with milestones to be achieved before disbursements. Do not support any retroactive financing or pre-financing.</p> <p>LV: (Drafting):</p> <p>15) The specific objective of the Facility should be to provide financial support with a view to achieving the milestones and targets of reforms and investments as set out in the <u>national</u> recovery and resilience plans. That specific objective should be pursued in close cooperation with the Member States concerned</p> <p>LV: (Comments):</p> <p>It should be clarified that these will be national recovery and resilience plans.</p> <p>This should be clarified throughout the regulation whenever we make a reference to recovery and resilience plans.</p> <p>AT: (Drafting):</p> <p>(15) The specific objective of the Facility should be to provide financial support with a view to in exchange for achieving the milestones and targets of reforms and investments as set out in recovery and resilience plans. That specific objective should be pursued in close cooperation with the Member States concerned.</p> <p>AT: (Comments):</p> <p>Funding from the EU level should be used as a carrot for ambitious structural reform that would otherwise not take place. This could be a way to generate real EU value added. Recovery and resilience plans should include legislative or other reforms with limited budgetary cost; the proposed wording would better account for such</p>
--	--	---

		reforms.
40.		
41.	<p>(16) To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise measures for the implementation of reforms and public investment projects through a coherent recovery and resilience plan. The recovery and resilience plan should be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, with the national reform programmes, the national energy and climate plans, the just transition plans, and the partnership agreements and operational programmes adopted under the Union funds. To boost actions that fall within the priorities of the European Green Deal and the Digital Agenda, the plan should also set out measures that are</p>	<p>PL: (Drafting):</p> <p>To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise measures for the implementation of reforms and public purpose investment projects through a coherent recovery and resilience plan.</p> <p>[...]</p> <p>All supported activities should be pursued in full respect of the climate, and environmental and digital priorities of the Union.</p> <p>PL: (Comments):</p> <p>‘Public investment’ shall be replaced by the ‘public purpose investment’. This makes the definition of an investment to be supported more precise and ensures that the recovery and resilience plan comprises investment conducted by the private sector entity fulfilling public service mission.</p> <p>In our view also digital priorities should be added.</p> <p>FI: (Drafting):</p> <p>(16) To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise a coherent package of measures for the implementation of reforms and public investment projects through a coherent recovery and resilience plan. The recovery and resilience plan should be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, with the national reform programmes, the national energy and climate plans, the just transition plans, and the partnership</p>

	<p>relevant for the green and digital transitions. The measures should enable a swift deliver of targets, objectives and contributions set out in national energy and climate plans and updates thereof. All supported activities should be pursued in full respect of the climate and environmental priorities of the Union.</p>	<p>agreements and operational programmes adopted under the Union funds. To boost actions that fall within the priorities of the European Green Deal and the Digital Agenda, the plan should also set out measures that are relevant for the green and digital transitions. The measures should enable a swift delivery of targets, objectives and contributions set out in national energy and climate plans and updates thereof. All supported activities should be pursued in full respect of the climate and environmental priorities of the Union.</p> <p>FI: (Comments):</p> <p><u>Tautology: repetition of recovery and resilience plan.</u></p> <p><u>Typo</u></p> <p>PT: (Drafting):</p> <p>To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise measures for the implementation of reforms and public investment projects through a coherent recovery and resilience plan. The recovery and resilience plan should be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, with the national reform programmes, the national energy and climate plans, the just transition plans, and the partnership agreements and operational programmes adopted under the Union funds and the Common Agricultural Policy Strategic Plans. Whenever relevant, the Euro Area Recommendation should be highlighted.</p> <p>PT: (Comments):</p> <p>As a matter of coherence with Cohesion Policy Funds and taking into account its strategic nature, we ask for a reference to the Common Agricultural Policy Strategic Plans.</p> <p>The single currency and the Euro Area Recommendation should not be utterly forgotten in this regulation. We do not propose specific governance arrangements or windows for the Euro Area. However, given that the Treaties</p>
--	---	--

	<p>provide for specific provisions to MS whose currency is the Euro and given the need to foster closer economic coordination between EA MS, the bare minimum would be the recognition of the importance of the Euro Area Recommendation.</p> <p>DK: (Drafting):</p> <p>(16) To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise measures for the implementation of reforms and public investment projects through a coherent recovery and resilience plan. The recovery and resilience plan should be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, with the national reform programmes, the national energy and climate plans, <u>with the recommendations and decisions within the Stability and Growth Pact</u>, the just transition plans, and the partnership agreements and operational programmes adopted under the Union funds. <u>To ensure the build-up of resilience for future possible economic shocks, the recovery and resilience plans should also set out how the measures will contribute to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability while allowing room for budgetary manoeuvre.</u> To boost actions that fall within the priorities of the European Green Deal and the Digital Agenda, the plan should also set out measures that are relevant for the green and digital transitions. The measures should enable a swift deliver of targets, objectives and contributions set out in national energy and climate plans and updates thereof. All supported activities should be pursued in full respect of the climate and environmental priorities of the Union, <u>including respecting the no-harm principle.</u></p> <p>SE: (Drafting):</p> <p>To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise measures for the implementation of reforms and public investment projects through a coherent recovery and resilience plan. The recovery and resilience plan should be consistent with the relevant country-specific</p>
--	--

		<p>challenges and priorities identified in the context of the European Semester, with the national reform programmes, <u>with the recommendations and decisions within the Stability and Growth Pact,</u> the national energy and climate plans, the just transition plans, and the partnership agreements and operational programmes adopted under the Union funds. <u>To ensure the build-up of strong resilience for future possible economic shocks, the recovery and resilience plans should also set out how the measures will contribute to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability while allowing room for budgetary manoeuvre, in line with the recommendations and decisions within the Stability and Growth Pact.</u> To boost actions that fall within the priorities of the European Green Deal and the Digital Agenda, the plan should also set out measures that are relevant for the green and digital transitions. The measures should enable a swift deliver of targets, objectives and contributions set out in national energy and climate plans and updates thereof. All supported activities should be pursued in full respect of the climate and environmental priorities of the Union <u>including respecting the “do no harm” oath.</u> <u>The plan should also include an assessment of how the measures in the plan are expected to impact women and men.</u></p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of RRF– for MS to be better prepared for an economic shock in the future. A strong link to SGP and sound fiscal policy and debt sustainability should therefore be made.</p> <p>In addition there should be a clear reference to the Green Deal “do no harm” principle and gender equality.</p> <p>NL: (Drafting):</p> <p>(16) To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise measures for the implementation of reforms and public investment projects through a coherent recovery and resilience plan. The recovery and resilience plan should be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, with the national reform</p>
--	--	---

		<p>programmes, the national energy and climate plans, the just transition plans, and the partnership agreements and operational programmes adopted under the Union funds. To boost actions that fall within the priorities of the European Green Deal and the Digital Agenda, the plan should also set out measures that are relevant for the green and digital transitions. The measures should enable a swift deliver of targets, objectives and contributions set out in national energy and climate plans and updates thereof. All supported activities should be pursued in full respect of the climate and environmental priorities of the Union.</p> <p>NL: (Comments):</p> <p>See comment in line 263.</p> <p>LV: (Drafting):</p> <p>(16) To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise measures for the implementation of reforms and public investment projects through a coherent recovery and resilience plan. The recovery and resilience plan should be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, with the national reform programmes, the national energy and climate plans, the just transition plans, and the partnership agreements and operational programmes adopted under the Union funds. To boost actions that fall within the priorities of the European Green Deal and the Digital Agenda, the plan should also set out measures that are relevant for the green and digital transitions. The measures should enable a swift deliver of targets, objectives and contributions set out in <u>the national reform programme and</u> national energy and climate plans and updates thereof. All supported activities should be pursued in full respect of the climate and environmental priorities of the Union.</p> <p>LV: (Comments):</p> <p>We would like to add also the reference to the fulfilment of national targets, objectives and contributions reflected in the national reform programme, not only in the national energy and climate plans.</p>
--	--	---

		<p>AT: (Drafting):</p> <p>(16) To ensure its contribution to the objectives of the Facility, the recovery and resilience plan should comprise measures for the implementation of reforms and public investment projects through a coherent recovery and resilience plan. The recovery and resilience plan should be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those related to the Stability and Growth Pact, the Macroeconomic Imbalance Procedure, and those relevant for or resulting from the green and digital transition, with the national reform programmes, the national energy and climate plans, the just transition plans, and the partnership agreements and operational programmes adopted under the Union funds. To boost actions that fall within the priorities of the European Green Deal and the Digital Agenda, the plan should also set out measures that are relevant for the green and digital transitions. The measures should enable a swift deliver of targets, objectives and contributions set out in national energy and climate plans and updates thereof. All supported activities should be pursued in full respect of the climate and environmental priorities of the Union.</p> <p>AT: (Comments):</p> <p>SGP and MIP compliance is key to improving resilience and adjustment capacity; addressing these challenges should therefore be compulsory.</p> <p>FR: (Drafting):</p> <p>“[...]with the national reform programmes, the national energy and climate plans, the just transition plans, <u>the Commission action plans foreseen in the Green Deal</u>, and the partnership agreements and operational programmes adopted under the Union funds”</p> <p>FR: (Comments):</p> <p><i>FR: If the Commission publishes those action plans ahead of time in the autumn, Member States will have time to</i></p>
--	--	---

		<i>take them into account when designing their national plans.</i>
42.		
43.	(17) Where a Member States is exempted from the monitoring and assessment of the European Semester on the basis of Article 12 of Regulation (EU) 472/2013 ³ , or is subject to surveillance under Council Regulation (EC) No 332/2002 ⁴ , it should be possible that the provisions of this regulation are applied to the Member State concerned in relation to the challenges and priorities identified by the measures set out under the regulations thereof.	<p>FI: (Drafting):</p> <p>(17) Where a Member States is exempted from the monitoring and assessment of the European Semester on the basis of Article 12 of Regulation (EU) 472/2013⁵, or is subject to surveillance under Council Regulation (EC) No 332/2002⁶, it should be possible that the provisions of this regulation are applied to the Member State concerned in relation to the challenges and priorities identified by the measures set out under the regulations thereof.</p> <p>FI: (Comments):</p> <p><u>typo</u></p> <p><u>Could it be made more clear that we refer the two regulations above?</u></p>
44.		
45.	(18) To inform the preparation and the implementation of the recovery and resilience plans by	<p>PT: (Drafting):</p> <p>To inform the preparation and the implementation of the recovery and resilience plans by Member States, the</p>

³ OJ L 140 of 27.5.2013.

⁴ OJ L 53 of 23.2.2002.

⁵ OJ L 140 of 27.5.2013.

⁶ OJ L 53 of 23.2.2002.

	<p>Member States, the Council should be able to discuss, within the European Semester, the state of recovery, resilience and adjustment capacity in the Union. To ensure appropriate evidence, this discussion should be based on the Commission's strategic and analytical information available in the context of the European Semester and, if available, on the basis of the information on the implementation of the plans in the preceding years.</p>	<p>Council should be able to will discuss, within the European Semester, the state of recovery, resilience and adjustment capacity in the Union. The Euro Summit may hold such discussion regarding specific challenges of the Euro Area. To ensure appropriate evidence, this these discussions should be based on the Commission's strategic and analytical information available in the context of the European Semester and, if available, on the basis of the information on the implementation of the plans in the preceding years.</p> <p>PT: (Comments):</p> <p>The Council should have a stronger role in the strategic oversight of the RRF, based on input from the Commission. Likewise, the Euro Summit could hold discussions on specific EA challenges. This would be built on current Semester discussion cycle. It would ensure greater accountability and transparency.</p> <p>DK: (Drafting):</p> <p>(18) To inform the preparation and the implementation of the recovery and resilience plans by Member States, the Council should be able to discuss, within the European Semester, the state of recovery, resilience and adjustment capacity in the Union. To ensure appropriate evidence, this discussion should be based on the Commission's strategic and analytical information available in the context of the European Semester and, if available, on the basis of the information on the implementation of the plans in the preceding years.</p> <p>SE: (Drafting):</p> <p>To inform the preparation and the implementation of the recovery and resilience plans by Member States, the Council should be able to discuss, within the European Semester, the state of recovery, resilience and adjustment capacity in the Union. To ensure appropriate evidence, this discussion should be based on the Commission's strategic and analytical information available in the context of the European Semester, <u>including with regard to recommendations and decisions within the Stability and Growth Pact-</u> and, if available, on the basis of the information on the implementation of the plans in the preceding years.</p>
--	---	---

		<p>SE: (Comments):</p> <p>It is important to underline the resilience part of RRF– for MS to be better prepared for an economic shock in the future. A strong link to SGP should therefore be made.</p>
46.		
47.	<p>(19) In order to ensure a meaningful financial contribution commensurate to the actual needs of Member States to undertake and complete the reforms and investments included in the recovery and resilience plan, it is appropriate to establish a maximum financial contribution available to them under the Facility as far as the financial support (i.e. the non-repayable financial support) is concerned. That maximum contribution should be calculated on the basis of the population, the inverse of the per capita Gross Domestic Product (GDP) and the relative unemployment rate of each Member State.</p>	<p>LU: (Drafting):</p> <p>(19) In order to ensure a meaningful financial contribution commensurate to the actual needs of Member States to undertake and complete the reforms and investments included in the recovery and resilience plan, it is appropriate to establish a maximum financial contribution available to them under the Facility as far as the financial support (i.e. the non-repayable financial support) is concerned. [That maximum contribution should be calculated on the basis of the population, the inverse of the per capita Gross Domestic Product (GDP) and the relative unemployment rate of each Member State]</p> <p>LU: (Comments):</p> <p>It is proposed to bracket this part of the paragraph for the purpose of coherence with the corresponding articles.</p> <p>FI: (Comments):</p> <p><u>The criteria should reflect the impacts of the Covid-19 crisis and should not be backward-looking.</u> This could done by looking at <u>changes rather than levels</u> and <u>relying on forecasts.</u></p> <p>SE: (Comments):</p> <p>We understand that this text is in brackets and will be amended in line with amendments to relevant articles.</p>

	<p>LV: (Drafting):</p> <p>(19) In order to ensure a meaningful financial contribution commensurate to the actual needs of Member States to undertake and complete the reforms and investments included in the recovery and resilience plan, it is appropriate to establish a maximum financial contribution available to them under the Facility as far as the financial support (i.e. the non-repayable financial support) is concerned. That maximum contribution should be calculated on the basis of the population, the inverse of the per capita Gross Domestic Product (GDP) with substantial weight and the relative unemployment rate of each Member State.</p> <p>RO: (Comments):</p> <p>We consider that the key agreed for the RISP regulation was more adequate for such an instrument, having in mind its general objective related to cohesion.</p> <p>In some country-cases, the unemployment rate did not reach its peak in crisis periods, especially in countries where the employment rates in agricultural sector is quite high. Also, a crisis affects the population will to engage in the economic activity and the individuals not looking for a job are not categorized as unemployed, which make this indicator not so relevant in every country-case, its position depending on cultural factors too.</p> <p>In case of RO, the unemployment rate between 2015-2019 was lower than the EU27 average, while the employment rate remained one of the lowest in the EU.</p> <p>Other options we could support: employment rate, in-work at risk of poverty rate (occupied population at risk of poverty rate) and poverty rate in designing the allocation criterion, instead of unemployment rate.</p> <p>The employment rate indicator is used by the European Commission in the Europe 2020 Strategy in the assessing process of the MS performances in reaching the specific objectives of the labour market.</p> <p>The units of measurement should be explicitly mentioned (neither the regulation proposal, nor its Annex specify</p>
--	--

		<p>the units of measurement), which is particularly critical for GDP per capita. Replicating the calculation, we found out that the COM used the current price euro values of GDP per capita.</p> <p>In addition, in the case of unemployment rate, it is not mentioned the age class considered ('from 15 to 74 years' or '20 to 64 years').</p> <p>BE: (Drafting):</p> <p>(19) In order to ensure a meaningful financial contribution commensurate to the actual needs of Member States to undertake and complete the reforms and investments included in the recovery and resilience plan, it is appropriate to establish a maximum financial contribution available to them under the Facility as far as the financial support (i.e. the non-repayable financial support) is concerned. [That maximum contribution should be calculated on the basis of the population, the inverse of the per capita Gross Domestic Product (GDP) and the relative unemployment rate of each Member State.]</p> <p>BE: (Comments):</p> <p>Last sentence to put into square brackets as this is related to the allocation key.</p>
48.		
49.	<p>(20) It is necessary to establish a process for the submission of proposals for recovery and resilience plans by the Member States, and the content thereof. With a view to ensuring the</p>	<p>PL: (Drafting):</p> <p>(...) With a view to ensuring the expediency of procedures, a Member State should submit a recovery and resilience plan at the latest by 30 April 2022, in the form of a separate annex of the National Reform Programme.</p> <p>To ensure a fast implementation, Member States should be able to submit a draft plan together with the draft</p>

	<p>expediency of procedures, a Member State should submit a recovery and resilience plan at the latest by 30 April, in the form of a separate annex of the National Reform Programme. To ensure a fast implementation, Member States should be able to submit a draft plan together with the draft budget of the forthcoming year, on 15 October of the preceding year.</p>	<p>budget of the forthcoming year, on starting from 15 October of the preceding year. In the case of euro-area Member States a draft plan should be submitted together with the draft budget of the forthcoming year.</p> <p>PL: (Comments):</p> <p>It is important to clearly define the ultimate deadline for submitting national recovery and resilience plans to avoid misunderstanding.</p> <p>It is worth to precise that submitting of the draft budget in October is mandatory only for euro-area Member States.</p> <p>IE: (Drafting):</p> <p>(20) It is necessary to establish a process for the submission of proposals for recovery and resilience plans by the Member States, and the content thereof. With a view to ensuring the expediency of procedures, a Member State should submit a recovery and resilience plan at the latest by 30 April, in the form of a separate annex of the National Reform Programme. To ensure a fast implementation, Member States should be able to submit a draft plan together with the draft budget of the forthcoming year, on by 15 October of the preceding year. <u>Euro Area Member States can annex this draft plan to the draft budget of the forthcoming year.</u></p> <p>IE: (Comments):</p> <p>Currently, Euro Area MS are only required to submit draft budgetary plans to the Commission by 15 October. As the possibility of submitting a draft RRP is open to all EU27 MS, this should be differentiated.</p> <p>ES: (Drafting):</p> <p>(20) It is necessary to establish a process for the submission of proposals for recovery and resilience plans by the Member States, and the content thereof. With a view to ensuring the expediency of procedures, a Member</p>
--	---	---

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

		<p>State should submit a recovery and resilience plan at the latest by 30 April, in the form of a separate annex of the National Reform Programme. To ensure a fast implementation, Member States should be able to submit a draft plan together with the draft budget of the forthcoming year, <u>starting from/on?</u> 15 October of the preceding year.</p> <p>ES: (Comments):</p> <p>Clarification on the deadline for the submission of the draft plan is needed. The reference to the deadline for the submission of draft plans should be consistent with that of Article 15. The current drafting of Article 15 states: ‘A draft plan may be submitted by the Member State <u>starting from</u> 15 October of the preceding year, together with the draft budget of the subsequent year’</p> <p>BG: (Comments):</p> <p>The Member States outside the euro area, which do not submit draft budget plans, should also be allowed to submit their recovery and resilience plans on 15 October of the preceding year.</p> <p>RO: (Drafting):</p> <p>(20) It is necessary to establish a process for the submission of proposals for recovery and resilience plans by the Member States, and the content thereof. With a view to ensuring the expediency of procedures, a Member State should submit a recovery and resilience plan at the latest by 30 April, in the form of a separate annex of the National Reform Programme. To ensure a fast implementation, Member States should be able to submit a draft plan together with the draft budget of the forthcoming year, on 15 October of the preceding year. <i>The submission of the draft plans is also possible for the Non-Euro Area Member States.</i></p> <p>RO: (Comments):</p> <p>Having in view the amounts involved and the tight deadlines, we need to assure a flexible timeline for the submission of the plans.</p>
--	--	---

		<p>MT: (Comments):</p> <p>Malta would like applications for this fund to be submitted on a roll-out basis rather than only as an Annex of the NRP. An Annex to the NRP should be allowed to be submitted beforehand if its evaluation and acceptance of the attached plan would result in funds being disbursed earlier.</p>
50.		
51.	<p>(21) In order to ensure the national ownership and a focus on relevant reforms and investments, Member States wishing to receive support should submit to the Commission a recovery and resilience plan that is duly reasoned and substantiated. The recovery and resilience plan should set out the detailed set of measures for its implementation, including targets and milestones, and the expected impact of the recovery and resilience plan on growth potential, job creation and economic and social resilience; it should also include measures that are relevant for the green and the digital transitions; it should also include an</p>	<p>LU: (Drafting):</p> <p>(21) In order to ensure the national ownership and a focus on relevant reforms and investments, Member States wishing to receive support should submit to the Commission a recovery and resilience plan that is duly reasoned and substantiated. The recovery and resilience plan should set out the detailed set of measures for its implementation, including targets and milestones, and the expected impact of the recovery and resilience plan on growth potential, job creation and economic and social resilience; it should also include measures that are relevant for the green and the digital transitions; it should also include an explanation of the consistency of the proposed recovery and resilience plan with the relevant country-specific challenges and priorities identified in the context of the European Semester and at national level. Close cooperation between the Commission and the Member States should be sought and achieved throughout the process.</p> <p>LU: (Comments):</p> <p>Please refer to our comment in line 7.</p> <p>DK: (Drafting):</p> <p>(21) In order to ensure the national ownership and a focus on relevant reforms and investments, Member States wishing to receive support should submit to the Commission a recovery and resilience plan that is duly reasoned and substantiated. The recovery and resilience plan should set out the detailed set of measures for its</p>

	<p>explanation of the consistency of the proposed recovery and resilience plan with the relevant country-specific challenges and priorities identified in the context of the European Semester. Close cooperation between the Commission and the Member States should be sought and achieved throughout the process.</p>	<p>implementation, including targets and milestones, and the expected impact of the recovery and resilience plan on growth potential, job creation and economic and social resilience; it should also include measures that are relevant for the green and the digital transitions; it should also include an explanation of the consistency of the proposed recovery and resilience plan with the relevant country-specific challenges and priorities identified in the context of the European Semester. Close cooperation between the Commission and the Member States should be sought and achieved throughout the process.</p> <p>ES: (Drafting):</p> <p>(21) In order to ensure the national ownership and a focus on relevant reforms and investments, Member States wishing to receive support should submit to the Commission a recovery and resilience plan that is duly reasoned and substantiated. The recovery and resilience plan should set out the detailed set of measures for its implementation, including targets and milestones, and how the expected impact of the recovery and resilience plan strengthens on growth potential, job creation and economic and social resilience; it should also include measures that are relevant for the green and the digital transitions; it should also include an explanation of the consistency of the proposed recovery and resilience plan with the relevant country-specific challenges and priorities identified in the context of the European Semester. Close cooperation between the Commission and the Member States should be sought and achieved throughout the process.</p> <p>ES: (Comments):</p> <p>Drafting aligned with wording used in Article 15.</p> <p>SE: (Drafting):</p> <p>In order to ensure the national ownership and a focus on relevant reforms and investments, Member States wishing to receive support should submit to the Commission a recovery and resilience plan that is duly reasoned and substantiated. The recovery and resilience plan should set out the detailed set of measures for its</p>
--	--	--

	<p>implementation, including targets and milestones, and the expected impact of the recovery and resilience plan on growth potential, job creation and economic and social resilience <u>including the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability while allowing room for budgetary manoeuvre, in line with the recommendations and decisions within the Stability and Growth Pact</u>; it should also include measures that are relevant for the green and the digital transitions; it should also include an explanation of the consistency of the proposed recovery and resilience plan with the relevant country-specific challenges and priorities identified in the context of the European Semester <u>including with regard to recommendations and decisions within the Stability and Growth Pact. It should also contain a gender equality assessment.</u> Close cooperation between the Commission and the Member States should be sought and achieved throughout the process.</p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of RRF– for MS to be better prepared for an economic shock in the future. A strong link to SGP and sound fiscal policy and debt sustainability should therefore be made.</p> <p>In addition there should be a clear reference to gender equality.</p> <p>LV: (Drafting):</p> <p>(21) In order to ensure the national ownership and a focus on relevant reforms and investments, Member States wishing to receive support should submit to the Commission a recovery and resilience plan that is duly reasoned and substantiated. The recovery and resilience plan should set out the detailed set of measures for its implementation, including targets and milestones, and the expected impact of the recovery and resilience plan on growth potential, job creation and economic and social resilience; it should also include measures that are relevant for the green and the digital transitions; it should also include an explanation of the consistency of the proposed recovery and resilience plan with the relevant country-specific challenges and priorities identified in the context of the European Semester <u>and the national reform programme.</u> Close cooperation between the Commission</p>
--	---

		<p>and the Member States should be sought and achieved throughout the process.</p> <p>FR: (Drafting):</p> <p>“[...] it should also include an explanation of the consistency of the proposed recovery and resilience plan with the relevant country-specific challenges and priorities identified in the context of the European Semester <u>as well as those identified in the most recent Council recommendation on the economic policy of the euro area for Member States whose currency is the euro</u>”.</p>
52.		
53.	<p>(22) The Commission should assess the recovery and resilience plan proposed by the Member States and should act in close cooperation with the Member State concerned. The Commission will fully respect the national ownership of the process and will therefore take into account the justification and elements provided by the Member State concerned and assess whether the recovery and resilience plan proposed by the Member State is expected to contribute to effectively address challenges identified in the relevant country-</p>	<p>PL: (Drafting):</p> <p>(...) whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public purpose investment projects that represent coherent actions; and whether the arrangement proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</p> <p>PL: (Comments):</p> <p>See explanation in line 41.</p> <p>LU: (Drafting):</p> <p>(22) The Commission should assess the recovery and resilience plan proposed by the Member States and should act in close cooperation with the Member State concerned. The Commission will fully respect the national ownership of the process and will therefore take into account the justification and elements provided by the Member State concerned and assess whether the recovery and resilience plan proposed by the Member State is expected to contribute to effectively address challenges identified in the relevant country-specific</p>

<p>specific recommendation addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester; whether the plan contains measures that effectively contribute to the green and the digital transitions and to addressing the challenges resulting from them; whether the plan is expected to have a lasting impact in the Member State concerned; whether the plan is expected to effectively contribute to strengthen the growth potential, job creation and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis and contribute to enhancing economic, social and territorial cohesion; whether the justification provided by the Member State of the estimated total costs of the recovery and resilience plan submitted is reasonable and</p>	<p>recommendation addressed to the Member State concerned, or in other relevant documents officially adopted by the Commission in the European Semester or provided by Member States; whether the plan contains measures that effectively contribute to the green and the digital transitions and to addressing the challenges resulting from them; whether the plan is expected to have a lasting impact in the Member State concerned; whether the plan is expected to effectively contribute to strengthen the growth potential, job creation and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis, set the economy back on a sustainable recovery path, contributes to the well-functioning of the single market, contribute to the reestablishment and strengthening of the resilience of cross-border supply chains and contribute to enhancing economic, social and territorial cohesion; whether the justification provided by the Member State of the estimated total costs of the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment; whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions; and whether the arrangement proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</p> <p>LU: (Comments):</p> <p>Please refer to our comments in line 249 and 284.</p> <p>FI: (Drafting):</p> <p><u>(22) The Commission should assess the recovery and resilience plan proposed by the Member States and should act in close cooperation with the Member State concerned. The Commission will fully respect the national ownership of the process and will therefore take into account the justification and elements provided by the Member State concerned and assess whether the recovery and resilience plan proposed by the Member State is expected to contribute to effectively address challenges identified in the relevant</u></p>
--	--

	<p>plausible and is commensurate to the expected impact on the economy and employment; whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions; and whether the arrangement proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</p>	<p><u>country-specific recommendation addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester; whether the plan contains measures that effectively contribute to the green and the digital transitions and to addressing the challenges resulting from them; whether the plan is expected to have a lasting impact in the Member State concerned; whether the plan is expected to effectively contribute to strengthen the growth potential, job creation and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis and contribute to enhancing economic, social and territorial cohesion; whether the justification, including an assessment of cost-effectiveness, provided by the Member State of the estimated total costs of the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment; whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions; and whether the arrangements proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</u></p> <p><u>The Council and the relevant committees should be able to discuss the proposed plans of the Member States, for which it could invite the Commission to present its views.</u></p> <p>FI: (Comments)</p> <p><u>There should also be an assessment of the cost-effectiveness of the reform and investment plan.</u></p> <p><u>typo</u></p> <p><u>To increase the role of the council</u></p> <p>DK: (Drafting):</p> <p>(22) The Commission should assess the recovery and resilience plan proposed by the Member States and</p>
--	---	---

	<p>should act in close cooperation with the Member State concerned. The Commission will fully respect the national ownership of the process and will therefore take into account the justification and elements provided by the Member State concerned and assess whether the recovery and resilience plan proposed by the Member State is expected to contribute to effectively address challenges identified in the relevant country-specific recommendation addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester²⁵; <u>whether the plan is compatible with a well-functioning Single Market</u>; whether the plan contains measures that effectively contribute to the green and the digital transitions and to addressing the challenges resulting from them; whether the plan is expected to have a lasting impact in the Member State concerned; whether the plan is expected to effectively contribute to strengthen the growth potential, job creation and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis and contribute to enhancing economic, social and territorial cohesion; whether the justification provided by the Member State of the estimated total costs of the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment; whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions; and whether the arrangement proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</p> <p>BG: (Comments):</p> <p>Regarding the requirement of whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions, we would welcome additional clarification as to what the envisaged “coherence” entails. Does this exclusively bear relation to Recital 35 regarding the consistency with and complementarity to ongoing Union programmes, and the avoidance of double funding for the same expenditure?</p> <p>SE: (Drafting):</p>
--	--

	<p>The Commission should assess the recovery and resilience plan proposed by the Member States and should act in close cooperation with the Member State concerned. The Commission will fully respect the national ownership of the process and will therefore take into account the justification and elements provided by the Member State concerned and assess whether the recovery and resilience plan proposed by the Member State is expected to contribute to effectively address challenges identified in the relevant country-specific recommendation addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester <u>including recommendations and decisions within the Stability and Growth Pact; whether the plan contains measures that effectively contribute to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability; whether the plan is compatible with a well-functioning single market;</u> whether the plan contains measures that effectively contribute to the green and the digital transitions and to addressing the challenges resulting from them; whether the plan is expected to have a lasting impact in the Member State concerned; whether the plan is expected to effectively contribute to strengthen the growth potential, job creation, <u>gender equality</u> and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis and contribute to enhancing economic, social and territorial cohesion; whether the justification provided by the Member State of the estimated total costs of the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment; whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions; and whether the arrangement proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</p> <p>SE:(Comments):</p> <p>It is important to underline the resilience part of RRF– for MS to be better prepared for an economic shock in the future. A strong link to SGP and sound fiscal policy and debt sustainability should therefore be made.</p>
--	---

		<p>In addition there should be a clear reference to compatibility with the single market as well as on gender equality.</p> <p>NL: (Drafting):</p> <p>(22) The Commission should assess the recovery and resilience plan proposed by the Member States and should act in close cooperation with the Member State concerned. The Commission will fully respect the national ownership of the process and will therefore take into account the justification and elements provided by the Member State concerned and assess whether the recovery and resilience plan proposed by the Member State is expected to contribute to effectively address challenges identified in the relevant country-specific recommendation addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester; whether the plan contains measures that effectively contribute to the green and the digital transitions and to addressing the challenges resulting from them; whether the plan is expected to have a lasting impact in the Member State concerned; whether the plan is expected to effectively contribute to strengthen the growth potential, job creation and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis and contribute to enhancing economic, social and territorial cohesion; whether the justification provided by the Member State of the estimated total costs of the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment; whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions; and whether the arrangement proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</p> <p>AT: (Drafting):</p> <p>(22) The Commission should assess the recovery and resilience plan proposed by the Member States and should act in close cooperation with the Member State concerned. The Commission will fully respect the national ownership of the process and will therefore take into account the justification and elements provided by the</p>
--	--	---

		<p>Member State concerned and assess whether the recovery and resilience plan proposed by the Member State is expected to contribute to effectively address challenges identified in the relevant country-specific recommendation addressed to the Member State concerned, in particular those related to the Stability and Growth Pact and the Macroeconomic Imbalance Procedure, or in other relevant documents officially adopted by the Commission in the European Semester; whether the plan contains measures that effectively contribute to the green and the digital transitions and to addressing the challenges resulting from them; whether the plan is expected to have a lasting impact in the Member State concerned; whether the plan is expected to effectively contribute to strengthen the growth potential, job creation and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis and contribute to enhancing economic, social and territorial cohesion; whether the justification provided by the Member State of the estimated total costs of the recovery and resilience plan submitted is reasonable and plausible and is commensurate to cost-efficient with a view to reaching the expected impact on the economy and employment; whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions; and whether the arrangement proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</p> <p>AT: (Comments):</p> <p>SGP and MIP-compliance is key for resilience and adjustment capacity.</p> <p>Efficiency of use of resources has to be made an explicit requirement.</p> <p>BE: (Drafting):</p> <p>(22) The Commission should assess the recovery and resilience plan proposed by the Member States and should act in close cooperation with the Member State concerned. The Commission will fully respect the national ownership of the process and will therefore take into account the justification and elements provided by the</p>
--	--	--

		<p>Member State concerned and assess whether the recovery and resilience plan proposed by the Member State is expected to contribute to effectively address challenges identified in the relevant country-specific recommendation addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester; whether the plan contains measures that effectively contribute to the green and the digital transitions and to addressing the challenges resulting from them; whether the plan is in line with National Energy and Climate Plans, Just Transition Plans and Partnership Agreements and Operational Programmes under EU Funds; whether the plan is expected to have a lasting impact in the Member State concerned; whether the plan is expected to effectively contribute to strengthen the growth potential, job creation and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis and contribute to enhancing economic, social and territorial cohesion; whether the justification provided by the Member State of the estimated total costs of the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment; whether the proposed recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions; and whether the arrangement proposed by the Member State concerned are expected to ensure effective implementation of the recovery and resilience plan, including the proposed milestones and targets, and the related indicators.</p> <p>FR: (Drafting):</p> <p>“[...] the Member State is expected to contribute to effectively address challenges identified in the relevant country-specific recommendation addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester, <u>as well as those identified in the most recent Council recommendation on the economic policy of the euro area for Member States whose currency is the euro</u>”</p>
54.		

55.	(23) Appropriate guidelines should be set out, as an annex to this Regulation, to serve as a basis for the Commission to assess in a transparent and equitable manner the recovery and resilience plans and to determine the financial contribution in conformity with the objectives and any other relevant requirements laid down in this Regulation. In the interest of transparency and efficiency, a rating system for the assessment of the proposals for recovery and resilience plans should be established to that effect.	<p>PL: (Comments):</p> <p>Annex II should be subject to the written procedure.</p> <p>RO: (Comments):</p> <p>The rating system should be simple and clear.</p>
56.		
57.	(24) In order to contribute to the preparation of high-quality plans and assist the Commission in the assessment of the recovery and resilience plans submitted by the Member States and in the	<p>RO: (Comments):</p> <p>What kind of peer counselling are we talking about?</p> <p>How would this be provided?</p>

	assessment of the degree of their achievement, provision should be made for the use of expert advice and, at the Member State request, peer counselling.	
58.		
59.	(25) For the purpose of simplification, the determination of the financial contribution should follow simple criteria. The financial contribution should be determined on the basis of the estimated total costs of the recovery and resilience plan proposed by the Member State concerned.	<p>FI: (Drafting):</p> <p><u>(25) For the purpose of simplification, the determination of the financial contribution should follow simple and transparent criteria. The financial contribution should be determined on the basis of the estimated total costs of the recovery and resilience plan proposed by the Member State concerned.</u></p> <p>FI: (Comments):</p> <p><u>The criteria needs to be simple but also transparent.</u></p> <p>DK: (Drafting):</p> <p>(25) For the purpose of simplification, the determination of the financial contributionassistance should follow simple <u>and transparent</u> criteria. The financial contributionassistance should be determined on the basis of the estimated total costs of the recovery and resilience plan proposed by the Member State concerned- <u>after the national co-financing has been deducted.</u></p> <p>DK: (Comments):</p> <p><u>Important to introduce measures to reduce moral hazard and promote national ownership. Co-financing could be a sound way ahead ensuring strong incentives to develop targeted and effective R&R plans.</u></p>

		<p>SE: (Drafting):</p> <p>For the purpose of simplification, the determination of the financial contribution should follow simple criteria. The financial contribution should be determined on the basis of the estimated total costs of the recovery and resilience plan proposed by the Member State concerned <u>after the national co-financing has been deducted</u>.</p> <p>SE: (Comments):</p> <p>National co-financing is important for budget discipline and ownership and builds on agreements for RISP.</p>
60.		
61.	<p>(26) Provided that the recovery and resilience plan satisfactorily addresses the assessment criteria, the Member State concerned should be allocated the maximum financial contribution where the estimated total costs of the reform and investment included in the recovery and resilience plan is equal to, or higher than, the amount of the maximum financial contribution itself. The Member State concerned</p>	<p>PL: (Comments):</p> <p>In our view there should be more options regarding the amount of financial contribution. Similarly to the RSP there should be a middle option which would allow for 50% of financial contribution.</p> <p>DK: (Drafting):</p> <p>(26) Provided that the recovery and resilience plan satisfactorily addresses the assessment criteria, the Member State concerned should be allocated the maximum financial contribution <u>assistance</u> where the estimated total costs of the reform and investment included in the recovery and resilience plan is equal to, or higher than, the amount of the maximum financial contribution itself <u>assistance itself after the national co-financing has been deducted</u>. The Member State concerned should instead be allocated an amount equal to the estimated total cost of the recovery and resilience plan where such estimated total cost is lower than the maximum financial</p>

	<p>should instead be allocated an amount equal to the estimated total cost of the recovery and resilience plan where such estimated total cost is lower than the maximum financial contribution itself. No financial contribution should be awarded to the Member State if the recovery and resilience plan does not satisfactorily address the assessment criteria.</p>	<p>contributionassistance itself. No financial contributionassistance should be awarded to the Member State if the recovery and resilience plan does not satisfactorily address the assessment criteria.</p> <p>DK: (Comments):</p> <p><u>Important to introduce measures to reduce moral hazard and promote national ownership. Co-financing could be a sound way ahead ensuring strong incentives to develop targeted and effective R&R plans.</u></p> <p>SE: (Drafting):</p> <p>Provided that the recovery and resilience plan satisfactorily addresses the assessment criteria, the Member State concerned should be allocated the maximum financial contribution where the estimated total costs of the reform and investment included in the recovery and resilience plan is equal to, or higher than, the amount of the maximum financial contribution itself <u>after the national co-financing has been deducted</u>. The Member State concerned should instead be allocated an amount equal to the estimated total cost of the recovery and resilience plan <u>after the national co-financing has been deducted</u> where such estimated total cost is lower than the maximum financial contribution itself. No financial contribution should be awarded to the Member State if the recovery and resilience plan does not satisfactorily address the assessment criteria.</p> <p>SE: (Comments):</p> <p>National co-financing is important for budget discipline and ownership and builds on agreements for RISP.</p> <p>AT: (Drafting):</p> <p>(26) Provided that the recovery and resilience plan satisfactorily addresses complies with the assessment criteria, especially with regard to cost-efficiency, the Member State concerned should be allocated the maximum financial contribution where the estimated total costs of the reform and investment included in the recovery and resilience plan is equal to, or higher than, the amount of the maximum financial contribution itself. The Member</p>
--	--	---

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

		<p>State concerned should instead be allocated an amount equal to the estimated total cost of the recovery and resilience plan where such estimated total cost is lower than the maximum financial contribution itself. No financial contribution should be awarded to the Member State if the recovery and resilience plan does not satisfactorily address the assessment criteria.</p> <p>AT: (Comments):</p> <p>“Inflating” reform costs to draw the maximum amount of funds should be prevented.</p>
62.		
63.	<p>(27) To ensure that the financial support is frontloaded in the initial years after the crisis, and to ensure compatibility with the available funding for this instrument, the allocation of funds to the Member States should be made available until 31 December 2024. To this effect, at least 60 percent of the amount available for non-repayable support should be legally committed by 31 December 2022. The remaining amount should be legally committed by 31 December 2024.</p>	<p>FI: (Drafting):</p> <p><u>(27) To ensure that the financial support is frontloaded in the initial years after the crisis, and to ensure compatibility with the available funding for this instrument, the allocation of funds to the Member States should be made available until 31 December 2022 2024. To this effect, at least 60 percent of the amount available for non-repayable support should be legally committed by 31 December 2022. The remaining amount should be legally committed by 31 December 2024.</u></p> <p>FI: (Comments):</p> <p><u>The measures should target the current crisis only. Due to the temporary nature of the instrument, the sunset clause should be activated by the end of 2022.</u></p> <p>PT: (Comments):</p> <p>The proposed timeline seems balanced. It allows for a reasonable frontloading and for the correct planning of ambitious and growth-enhancing investments and reforms.</p>

		<p>DK: (Drafting):</p> <p>(27) To ensure that the financial support is frontloaded in the initial years after the crisis, and to ensure compatibility with the available funding for this instrument, the allocation of funds to the Member States should be made available until 31 December 2024. To this effect, at least 60 percent of the amount available for non-repayable support should be legally committed by 31 December 2022<u>2021</u>. The remaining amount should be legally committed by 31 December 2024<u>2022</u>.</p> <p>DK: (Comments):</p> <p><u>As the measures should target the current crisis only, the sunset clause should be activated by the end of 2022. No financial assistance should be committed from 2023.</u></p> <p>ES: (Drafting):</p> <p>To ensure that the financial support is frontloaded in the initial years after the crisis, and to ensure compatibility with the available funding for this instrument, the allocation of funds to the Member States should be made available until 31 December 2024. To this effect, at least 60 percent of the amount available for non-repayable support should be legally committed <u>and disbursed effectively</u> by 31 December 2022. The remaining amount should be legally committed by 31 December 2024.</p> <p>ES: (Comments):</p> <p>Frontloading should be reflected in terms of payments and not only in terms of commitment appropriations. In order to contribute to the recovery, a significant percentage of funds should be effectively disbursed in 2021-2022.</p> <p>BG: (Drafting):</p>
--	--	---

		<p>To ensure that the financial support is frontloaded in the initial years after the crisis, and to ensure compatibility with the available funding for this instrument, the allocation of funds to the Member States should be made available until 31 December 202427. To this effect, at least 60 percent of the amount available for non-repayable support should be legally committed by 31 December 20224. The remaining amount should be legally committed by 31 December 202427.</p> <p>BG: (Comments):</p> <p>The period for commitments should be extended given the tight timeframe of the whole instrument. The the national recovery and resilience plans will need a careful preparation as they will include long-term reforms and public investments, thus, we insist on changing the deadlines for commitments.</p> <p>SE: (Drafting):</p> <p>To ensure that the financial support is frontloaded in the initial years after the crisis, and to ensure compatibility with the available funding for this instrument, the allocation of funds to the Member States should be made available until 31 December 202224. To this effect, at least 60 percent of the amount available for non-repayable support should be legally committed by 31 December 20212. The remaining amount should be legally committed by 31 December 20242.</p> <p>SE: (Comments):</p> <p>The availability period should be shortened and front-loading increased to correspond to the fact that this is a crisis instrument.</p> <p>AT: (Drafting):</p> <p>(27) To ensure that the financial support is frontloaded in the initial years after the crisis, and to ensure compatibility with the available funding for this instrument, the allocation of funds to the Member States should</p>
--	--	---

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: *6 July 2020 12:00PM CET*

	<p>be made available until 31 December 2024 2022. To this effect, at least 60 percent of the amount available for non-repayable support should be legally committed by 31 December 2022. The remaining amount should be legally committed by 31 December 2024.</p> <p>AT: (Comments):</p> <p>Austria's position is that the Facility should expire on 2022.</p> <p>RO: (Drafting):</p> <p>To this effect, at least 6050 percent of the amount available for non-repayable support should be legally committed by 31 December 2022.</p> <p>RO: (Comments):</p> <p>The commitment by 31 December 2022 of 60% is quite tight for a comprehensive plan of reforms and investments.</p> <p>We believe that ways should be found for more flexibility here.</p> <p>IT: (Drafting):</p> <p>(27) To ensure that the financial support is frontloaded in the initial years after the crisis, and to ensure compatibility with the available funding for this instrument, the allocation of funds to the Member States should be made available until 31 December 2024. To this effect, at least 60 percent of the overall amount available under this facility for non-repayable support should be legally committed by 31 December 2022. The remaining amount should be legally committed by 31 December 2024. Such commitment is satisfied by way of implementing act of the Commission, adopting the recovery and resilience plans to be implemented by the Member States and allocating the corresponding financial contribution. To that end, for a period until 31</p>
--	---

		<p>December 2022, Member States may submit requests up to their maximum financial contribution to implement their recovery and resilience plans. After that period and until 31 December 2024, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. Requests by Member States to whom their maximum financial contribution by 31 December 2022 have not been allocated, shall be considered with priority until they receive their maximum financial contribution as referred to in Article 11 (1) . For the remaining amount, each Member State, regardless of the amount of resources already allocated on the basis of their maximum financial contribution, may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation to implement the recovery and resilience plan.</p> <p>IT: (Comments):</p> <p><i>Need a clarification of the process of allocation of resources. In addition need to ensure that, in line with the objectives of the Regulation, the allocation follows the criteria of equal treatment and solidarity by ensuring to all Member states access to their maximum financial allocation provided the corresponding projects are presented. Otherwise some MS may receive an amount above their maximum financial contribution.</i></p>
64.		
65.	<p>(28) Financial support to a Member State's plan should be possible in the form of a loan, subject to the conclusion of a loan agreement with the Commission, on the basis of a duly motivated request by the Member State concerned. Loans supporting the</p>	<p>FI: (Drafting):</p> <p><u>(28) Financial support to a Member State's plan should be possible in the form of a loan, subject to the conclusion of a loan agreement with the Commission, on the basis of a duly motivated request by the Member State concerned. Loans supporting the implementation of national recovery and resilience plans should be provided at maturities that reflect the longer-term nature of such spending. Those maturities may not diverge from the maturities of the funds the Union borrows to finance the loans on capital markets. Therefore, it is necessary to provide for the possibility to derogate from the principle set out in Article 220(2) of the Financial Regulation, according to which maturities of loans for financial assistance</u></p>

	<p>implementation of national recovery and resilience plans should be provided at maturities that reflect the longer-term nature of such spending. Those maturities may diverge from the maturities of the funds the Union borrows to finance the loans on capital markets. Therefore, it is necessary to provide for the possibility to derogate from the principle set out in Article 220(2) of the Financial Regulation, according to which maturities of loans for financial assistance should not be transformed.</p>	<p>should not be transformed. The Financial Regulation, including Article 220, shall apply to the loans granted under this instrument.</p> <p>FI: (Comments):</p> <p><u>The loan arrangements should not diverge from the principle set out in Article 220(2) of the Financial Regulation. Thus the loans would be back-to-back.</u></p> <p>ES: (Comments):</p> <p>This recital states that ‘those maturities may diverge from the maturities of the funds the Union borrows to finance the loans on capital markets’. How would the cost of loans be determined?. More clarifications on whether loans would be back to back and the determination of the cost are warranted.</p> <p>IT: (Drafting):</p> <p>28) Financial support to a Member State’s plan should be possible in the form of a loan, subject to the conclusion of a loan agreement with the Commission, on the basis of a duly motivated request by the Member State concerned. Loans supporting the implementation of national recovery and resilience plans should be provided at maturities that reflect the longer-term nature of such spending, and at favorable financing conditions. Those maturities may diverge from the maturities of the funds the Union borrows to finance the loans on capital markets. Therefore, it is necessary to provide for the possibility to derogate from the principle set out in Article 220(2) of the Financial Regulation, according to which maturities of loans for financial assistance should not be transformed.</p>
66.		
67.	<p>(29) The request for a loan should be justified by the financial</p>	<p>LU: (Drafting):</p>

<p>needs linked to additional reforms and investments included in the recovery and resilience plan, notably relevant for the green and digital transitions, and by therefore, by a higher cost of the plan than the maximum financial contribution (to be) allocated via the non-repayable contribution. It should be possible to submit the request for a loan together with the submission of the plan. In case the request for loan is made at a different moment in time, it should be accompanied by a revised plan with additional milestones and targets. To ensure frontloading of resources, Member States should request a loan support at the latest by 31 August 2024. For the purposes of sound financial management, the total amount of all the loans granted under this Regulation should be capped. In addition, the maximum volume of the loan for each Member State should not exceed 4.7% of its Gross</p>	<p>The request for a loan should be justified by the financial needs linked to additional reforms and investments included in the recovery and resilience plan, notably relevant for the green and digital transitions, and by, therefore, a higher cost of the plan than the maximum financial contribution (to be) allocated via the non-repayable contribution. It should be possible to submit the request for a loan together with the submission of the plan. In case the request for loan is made at a different moment in time, it should be accompanied by a revised plan with additional milestones and targets. To ensure frontloading of resources, Member States should request a loan support at the latest by 31 August 2024. For the purposes of sound financial management, the total amount of all the loans granted under this Regulation should be capped. In addition, the maximum volume of the loan for each Member State should not exceed [4.7% of its Gross National Income]. An increase of the capped amount should be possible in exceptional circumstances subject to available resources. For the same reasons of sound financial management, it should be possible to pay the loan in instalments against the fulfilment of results.</p> <p>LU: (Comments):</p> <p>The reference to “additional” could be read as implying the submission of a second plan. In line with our comment in line 187, we would hence propose to redraft this recital, to clarify that the reforms to be financed can be part of the plan that was initially submitted.</p> <p>It is proposed to bracket this part for the purpose of coherence with the corresponding articles.</p> <p>The term “exceptional circumstances” should be further detailed here.</p> <p>FI: (Drafting):</p> <p>(29) The request for a loan should be justified by the financial needs linked to additional reforms and investments included in the recovery and resilience plan, notably relevant for the green and digital transitions, and by therefore, by a higher cost of the plan than the maximum financial contribution (to be) allocated via the non-repayable contribution. It should be possible to submit the request for a loan together with the submission of the</p>
--	---

	<p>National Income. An increase of the capped amount should be possible in exceptional circumstances subject to available resources. For the same reasons of sound financial management, it should be possible to pay the loan in instalments against the fulfilment of results.</p>	<p>plan. In case the request for loan is made at a different moment in time, it should be accompanied by a revised plan with additional milestones and targets. To ensure frontloading of resources, Member States should request a loan support at the latest by 31 August 2022²⁴. For the purposes of sound financial management, the total amount of all the loans granted under this Regulation should be capped. In addition, the maximum volume of the loan for each Member State should not exceed 4.7% of its Gross National Income. An increase of the capped amount should be possible in exceptional circumstances subject to available resources. For the same reasons of sound financial management, it should be possible to pay the loan in instalments against the fulfilment of results.</p> <p>FI: (Comments):</p> <p><u>What is the difference between “costs” and “financial needs”? We would prefer the same terminology if “financial needs” refer to costs here.</u></p> <p><u>As mentioned earlier, the sunset clause should be activated by the end of 2022.</u></p> <p>DK: (Drafting):</p> <p>(29) The request for a loan should be justified by the financial needs linked to additional reforms and investments included in the recovery and resilience plan, notably relevant for the green and digital transitions, and by therefore, by a higher cost of the plan than the maximum financial contribution (to be) allocated via the non-repayable contribution. It should be possible to submit the The request for a loan <u>should be submitted</u> together with the submission of the plan. In case the request for loan is made at a different moment in time, it should be accompanied by a revised plan with additional milestones and targets. To ensure frontloading of resources, Member States should request a loan support at the latest by 31 August 20242022. For the purposes of sound financial management, the total amount of all the loans granted under this Regulation should be capped. In addition, the maximum volume of the loan for each Member State should not exceed 4.7% of its Gross National Income. An increase of the capped amount should be possible in exceptional circumstances subject to available resources. For the same reasons of sound financial management, it should be possible to pay the loan in</p>
--	--	---

	<p>instalments against the fulfilment of results.</p> <p>DK: (Comments):</p> <p><u>As mentioned above, the sunset clause should be activated by the end of 2022, and no financial assistance should be committed from 2023.</u></p> <p><u>As also mentioned above, the Facility should provide financial assistance in the form of loans.</u></p> <p>SE: (Drafting):</p> <p>The request for a loan should be justified by the financial needs linked to additional reforms and investments included in the recovery and resilience plan, notably relevant for the green and digital transitions, and by therefore, by a higher cost of the plan than the maximum financial contribution (to be) allocated via the non-repayable contribution. It should be possible to submit tThe request for a loan <u>should be made</u> together with the submission of the plan. In case the request for loan is made at a different moment in time, it should be accompanied by a revised plan with additional milestones and targets. To ensure frontloading of resources, Member States should request a loan support at the latest by 31 August<u>April</u> 202<u>24</u>. For the purposes of sound financial management, the total amount of all the loans granted under this Regulation should be capped. In addition, the maximum volume of the loan for each Member State should not exceed <u>14.7%</u> of its Gross National Income.<u>]</u> An increase of the capped amount should be possible in exceptional circumstances subject to available resources. For the same reasons of sound financial management, it should be possible to pay the loan in instalments against the fulfilment of results.</p> <p>SE: (Comments):</p> <p>SE does not support providing grants from the facility and wants a shortened period of commitments to strengthen the crisis link.</p>
--	--

		<p>We also understand that the size of loan per MS is in brackets.</p> <p>AT: (Drafting):</p> <p>(29) The request for a loan should be justified by the financial needs linked to additional reforms and investments included in the recovery and resilience plan, notably relevant for the green and digital transitions, and by therefore, by a higher cost of the plan than the maximum financial contribution (to be) allocated via the non-repayable contribution. It should be possible to submit the request for a loan together with the submission of the plan. In case the request for loan is made at a different moment in time, it should be accompanied by a revised plan with additional milestones and targets. To ensure frontloading of resources, Member States should request a loan support at the latest by 31 August 2024 2022. For the purposes of sound financial management, the total amount of all the loans granted under this Regulation should be capped. In addition, the maximum volume of the loan for each Member State should not exceed 4.7% of its Gross National Income. An increase of the capped amount should be possible in exceptional circumstances subject to available resources. For the same reasons of sound financial management, it should be possible to pay the loan in instalments against the fulfilment of results.</p> <p>AT: (Comments):</p> <p><i>Austria's position is that the Facility should expire on 31 December 2022.</i></p> <p>RO: (Drafting):</p> <p>(29) The request for a loan should be justified by the financial needs linked to additional reforms and investments included in the recovery and resilience plan, notably relevant for the green and digital transitions, and by therefore, by a higher cost of the plan than the maximum financial contribution (to be) allocated via the non-repayable contribution. It should be possible to submit the request for a loan together with the submission of the plan. In case the request for loan is made at a different moment in time, it should be accompanied by a revised plan with additional milestones and targets. To ensure frontloading of resources, Member States should request a</p>
--	--	---

		<p>loan support at the latest by 31 August 2024. For the purposes of sound financial management, the total amount of all the loans granted under this Regulation should be capped. In addition, the maximum volume of the loan for each Member State should not exceed 4.7% of its Gross National Income. An increase of the capped amount should be possible in exceptional circumstances subject to available resources. For the same reasons of sound financial management, it should be possible to pay the loan in instalments against the fulfilment of results.</p> <p>RO: (Comments):</p> <p>Please see recital 12 on our opinion about highlighting only two priorities, green and digital.</p> <p>Also, in case of loans, the conditionalities should be lower than for grants.</p> <p>MT: (Comments):</p> <p>In the event of a scenario whereby the applications, though capped at 4.7% of GNI, nevertheless exceed €250 billion by virtue of Member States with a credit rating equivalent to the EU's applying too, what key would be used?</p>
68.		
69.	<p>(30) A Member State should have the possibility to make a reasoned request to amend the recovery and resilience plan within the period of implementation, where objective circumstances justify such a course of action. The Commission should assess the reasoned request and take a new</p>	<p>LU: (Drafting):</p> <p>A Member State should have the possibility to make a reasoned request to amend the recovery and resilience plan within the period of implementation, where objective circumstances justify such a course of action. The Commission should assess the reasoned request and take a new decision within four three months.</p> <p>LU: (Comments):</p> <p>Three months might be a good compromise with a view to speeding up the decision-making process, hence</p>

	<p>decision within four months.</p>	<p>allowing Member States to act more swiftly in the recovery phase.</p> <p>IE: (Drafting):</p> <p>A Member State should have the possibility to make a reasoned request to amend the recovery and resilience plan within the period of implementation, where objective circumstances justify such a course of action. The Commission should assess the reasoned request and take a new decision within <u>two</u> four months.</p> <p>IE: (Comments):</p> <p>In order to ensure fast implementation of reforms and investments under the Facility, it is important that decisions are made as fast as possible on amended RRP.</p> <p>ES: (Drafting):</p> <p>(30) A Member State should have the possibility to make a reasoned request to amend the recovery and resilience plan within the period of implementation, where objective circumstances justify such a course of action. The Commission should assess the reasoned request and take a new decision within <u>two</u> four months.</p> <p>RO: (Comments):</p> <p>Four months is too long.</p> <p>We propose at maximum three, which also quite long having in view that in principle the member state will work together with the Commission on the draft.</p> <p>IT: (Drafting):</p> <p>(30) A Member State should have the possibility to make a reasoned request to amend the recovery and resilience plan within the period of implementation, where objective circumstances or other duly justified reasons justify</p>
--	-------------------------------------	--

		<p>warrant such a course of action. The Commission should assess the reasoned request and take a new decision within four two months.</p> <p>FR: (Drafting):</p> <p>“A Member State should have the possibility to make a reasoned request to amend the recovery and resilience plan within the period of implementation, where objective circumstances justify such a course of action. The Commission should assess the reasoned request and take a new decision within fourtwo months.”</p> <p>FR: (Comments):</p> <p><i>FR: Officially, the formal deadline will start running from January 1st onwards and the Commission will issue an evaluation on the 27 national plans around the same time as the 2021 country reports’ release. However, if all Member States informally agree to submit their national plans in mid-October 2020, the Commission will then implicitly have four months to assess the plans. This accelerated assessment process could be extended to subsequent years.</i></p>
70.		
71.	<p>(31) For reasons of efficiency and simplification in the financial management of the instrument, the Union financial support to recovery and resilience plans should take the form of a financing based on the achievement of results measured by reference to milestones and targets indicated in the approved recovery</p>	<p>LU: (Drafting):</p> <p>(31) For reasons of efficiency and simplification in the financial management of the instrument, the Union financial support to recovery and resilience plans should take the form of a financing based on the achievement of results measured by reference to milestones and targets indicated in the approved recovery and resilience plans. To this effect, the additional loan support should be linked to the additional proposed milestones and targets compared to those relevant for the financial support (i.e. the non-repayable support).</p> <p>LU: (Comments):</p>

	and resilience plans. To this effect, the additional loan support should be linked to the additional milestones and targets compared to those relevant for the financial support (i.e. the non-repayable support).	<p>Please refer to our comment in line 187.</p> <p>DK: (Drafting):</p> <p>(31) For reasons of efficiency and simplification in the financial management of the instrument, the Union financial support to recovery and resilience plans should take the form of a financing based on the achievement of results measured by reference to milestones and targets indicated in the approved recovery and resilience plans. To this effect, the additional loan support should be linked to the additional milestones and targets compared to those relevant for the financial support (i.e. the non-repayable support).</p> <p>SE: (Drafting):</p> <p>For reasons of efficiency and simplification in the financial management of the instrument, the Union financial support to recovery and resilience plans should take the form of a financing based on the achievement of results measured by reference to milestones and targets indicated in the approved recovery and resilience plans. To this effect, the additional loan support should be linked to the additional milestones and targets compared to those relevant for the financial support (i.e. the non-repayable support).</p> <p>SE: (Comments):</p> <p>Again, SE only supports the loan part and not non-repayable support.</p>
72.		
73.	(32) For the purpose of sound financial management, specific rules should be laid down for budget commitments, payments, suspension, cancellation and	<p>PL: (Drafting):</p> <p>(...)</p> <p>To ensure predictability, it should be possible for Member States to submit requests for payments on a biannual</p>

	<p>recovery of funds. To ensure predictability, it should be possible for Member States to submit requests for payments on a biannual basis. Payments should be made in instalments and be based on a positive assessment by the Commission of the implementation of the recovery and resilience plan by the Member State. Suspension and cancellation of the financial contribution should be possible when the recovery and resilience plan has not been implemented in a satisfactory manner by the Member State. Appropriate contradictory procedures should be established to ensure that the decision by the Commission in relation to suspension, cancellation and recovery of amounts paid respects the right of Member States to provide observations.</p>	<p>basis. The first request may cover costs of investments/reforms included in the recovery and resilience plan but incurred before formal adoption of the plan.</p> <p>PL: (Comments):</p> <p>To ensure that the financial support is frontloaded in the initial years after the crisis, part of reforms and investments in question should be implemented without delay. Such reforms and investments should be included in the recovery and resilience plan and thus their implementation should be financed even if costs were incurred before formal adoption of a plan.</p> <p>DK: (Comments):</p> <p><u>We should explore the possibility to safeguard financial assistance from the Facility if Member States roll back reforms and investments (a “claw-back” provision), including as regards the green transition.</u></p> <p>ES: (Comments):</p> <p>What are the exact (biannual) dates in which the Commission would expect Member States to submit disbursement requests?</p> <p>SE: (Drafting):</p> <p>For the purpose of sound financial management, specific rules should be laid down for budget commitments, payments, suspension, cancellation and recovery of funds. To ensure predictability, it should be possible for Member States to submit requests for payments on a biannual basis. Payments should be made in instalments and be based on a positive assessment by the Commission of the implementation of the recovery and resilience plan by the Member State. Suspension and cancellation of the financial contribution should be possible when the recovery and resilience plan has not been implemented in a satisfactory manner by the Member State. <u>Recovery of the financial contribution should be made if reforms in the recovery and resilience plans are reversed.</u></p>
--	---	--

		<p>Appropriate contradictory procedures should be established to ensure that the decision by the Commission in relation to suspension, cancellation and recovery of amounts paid respects the right of Member States to provide observations.</p> <p>SE: (Comments):</p> <p>Important to have a “claw-back” provision in case reforms are reversed.</p> <p>RO: (Drafting):</p> <p>To ensure predictability, it should be possible for Member States to submit requests for payments on a biannual quarterly basis.</p> <p>RO: (Comments):</p> <p>In order to ensure financial flow.</p> <p>IT: (Drafting):</p> <p>(32) For the purpose of sound financial management, specific rules should be laid down for budget commitments, payments, suspension, cancellation and recovery of funds. To ensure predictability, it should be possible for Member States to submit requests for payments on a biannual basis. Payments should be made in instalments and be based on a positive assessment by the Commission of the implementation of the recovery and resilience plan by the Member State. The first instalment shall be paid at the same time of the adoption of the decision. The amount of the first instalment shall be equal to at least 20% of the national recovery and resilience plan as adopted.</p> <p>Suspension and cancellation of the financial contribution should be possible when the recovery and resilience plan has not been implemented in a satisfactory manner by the Member State. Appropriate contradictory</p>
--	--	---

		<p>procedures should be established to ensure that the decision by the Commission in relation to suspension, cancellation and recovery of amounts paid respects the right of Member States to provide observations.</p> <p>IT: (Comments):</p> <p><i>Ensure adequate prefinancing</i></p> <p>FR: (Drafting):</p> <p>“For the purpose of sound financial management, specific rules should be laid down for budget commitments, payments, suspension, cancellation and recovery of funds. To ensure predictability, it should be possible for Member States to submit requests for payments on a biannual trimestrial basis (...)”</p> <p>FR: (Comments):</p> <p><i>FR: A trimestrial basis allows for a faster payment of the financial contributions, as requested by several member States to reinforce the counter-cyclical nature of the instrument.</i></p>
74.		
75.	<p>(33) For effective monitoring of implementation, the Member States should report on a quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan. Such reports prepared by the Member States concerned should be appropriately</p>	<p>PL: (Drafting):</p> <p>For effective monitoring of implementation, the Member States should report on a quarterly biannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan.</p> <p>PL: (Comments):</p> <p>Reporting of the progress of implementation should be less frequent in order not to overburden the European Semester. Furthermore, it might be difficult to assess progress in such a short period of time.</p>

	<p>reflected in the National Reform Programmes, which should be used as a tool for reporting on progress towards completion of recovery and resilience plans.</p>	<p>LU: (Drafting):</p> <p>For effective monitoring of implementation, the Member States should report on an annual quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan. Such reports prepared by the Member States concerned should be appropriately reflected in the National Reform Programmes, which should be used as a tool for reporting on progress towards completion of recovery and resilience plans.</p> <p>LU: (Comments):</p> <p>Please refer to our comment in line 381.</p> <p>FI: (Comments):</p> <p><u>Reporting on a quarterly basis may be a relatively heavy process. The reporting should be made easy. However, the Commission should receive sufficient and timely information on implementation in order to make a good assessment of MS progress.</u></p> <p>PT: (Drafting):</p> <p>For effective monitoring of implementation, the Member States should report on a quarterly bianual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan.</p> <p>PT: (Comments):</p> <p>A quarterly report seems overly burdensome, also having in mind that reforms and investments will have a lifespan of some years. We should keep management of this instrument transparent and efficient and avoid create unnecessary administrative costs, both for the Commission and for MS.</p>
--	---	--

		<p>LT: (Comments):</p> <p>Reporting four times per year might create additional administrative burden, therefore LT suggests to lower the reporting requirement to twice a year as implementing sustainable reforms takes time and the results are not immediately visible.</p> <p>ES: (Drafting):</p> <p>(33) For effective monitoring of implementation, the Member States should report on a biannual quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan. Such reports prepared by the Member States concerned should be appropriately reflected in the National Reform Programmes, which should be used as a tool for reporting on progress towards completion of recovery and resilience plans.</p> <p>ES: (Comments):</p> <p>It is essential to reduce administrative burden. Quarterly reporting takes place under rehanced surveillance and it is important to set a clear difference between this facility and a macroeconomic adjustment programme. Given that disbursement requests need to be duly justified in terms of fulfilment of milestones and targets and that the National Reform Programme has to reflect the content of the quarterly reporting, information on the progress in milestones and targets would be reported seven times per year. An excessive frequency in reporting would provide the wrong signal, while not bringing much value added in terms of information since the timespan would be extremely short.</p> <p>BG: (Drafting):</p> <p>For effective monitoring of implementation, the Member States should report on a quarterly semi-annual/annual basis within the European Semester process on the progress made in the achievement of the recovery and</p>
--	--	---

	<p>resilience plan</p> <p>BG: (Comments):</p> <p>We support the link with the Semester but it should aim at simplifying the process as much as possible and without further burdening the administration. In this regard, we find the reporting exercise on a quarterly basis rather burdensome and an annual or semi-annual basis have to be considered.</p> <p>We consider that the Commission should provide a feedback on the report, especially on the achievement of the milestones and the respective targets. Otherwise, such frequent reporting does not provide any added value for the MS.</p> <p>LV: (Drafting):</p> <p><u>(33) For effective monitoring of implementation, the Member States should report on a biannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan. Such reports prepared by the Member States concerned should be appropriately reflected in the National Reform Programmes, which should be used as a tool for reporting on progress towards completion of recovery and resilience plans.</u></p> <p>RO: (Drafting):</p> <p>Member States should report on a quarterly annual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan.</p> <p>RO: (Comments):</p> <p>Simplification of the monitoring process regarding the progress made in the achievement of the recovery and resilience plan.</p>
--	---

		<p>If reporting is not financial, we should clarify what that lighter reporting involves and adjust the time sequence.</p> <p>MT: (Drafting):</p> <p>(33) For effective monitoring of implementation, the Member States should report on a bi-annual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan. Such reports prepared by the Member States concerned should be appropriately reflected in the National Reform Programmes, which should be used as a tool for reporting on progress towards completion of recovery and resilience plans.</p> <p>MT: (Comments):</p> <p>Quarterly reporting is considered exceedingly burdensome on public administrations and in this respect, biannual reporting is considered more efficient and just as effective at ensuring high quality reporting by Member States.</p> <p>BE: (Drafting):</p> <p>(33) For effective monitoring of implementation, the Member States should report on a biannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plan. Such reports prepared by the Member States concerned should be appropriately reflected in the National Reform Programmes, which should be used as a tool for reporting on progress towards completion of recovery and resilience plans.</p>
76.		
77.	(34) For the purposes of transparency, the recovery and resilience plans adopted by the Commission should be	<p>BE: (Drafting):</p> <p>(34) For the purposes of transparency, the recovery and resilience plans approved by the Commission should be communicated to the European Parliament and the Council and communication activities should be carried out</p>

	communicated to the European Parliament and the Council and communication activities should be carried out by the Commission as appropriate.	by the Commission as appropriate. BE: (Comments): The recovery and resilience plan is adopted by the MS concerned, not by the Commission.
78.		
79.	(35) In order to ensure an efficient and coherent allocation of funds from the Union budget and to respect the principle of sound financial management, actions under this Regulation should be consistent with and be complementary to ongoing Union programmes, whilst avoiding double funding for the same expenditure. In particular, the Commission and the Member State should ensure, in all stages of the process, effective coordination in order to safeguard the consistency, coherence, complementarity and synergy among sources of funding. To that effect, Member States should be required to present the	LU: (Comments): Please refer to our comment in line 149. FI: (Drafting) <u>relevant information</u> FI: (Comments): Typo ES: (Drafting): (35) In order to ensure an efficient and coherent allocation of funds from the Union budget and to respect the principle of sound financial management, actions under this Regulation should be consistent with and be complementary to ongoing Union programmes, whilst avoiding double funding for the same expenditure. In particular, the Commission and the Member State should ensure, in all stages of the process, effective coordination in order to safeguard the consistency, coherence, complementarity and synergy among sources of funding. To that effect, Member States should be required to present where the relevant, information on existing or planned Union financing when submitting their plans to the Commission. Financial support under Facility

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

	relevant, information on existing or planned Union financing when submitting their plans to the Commission. Financial support under Facility should be additional to the support provided under other Union funds and programmes, and reform and investment projects financed under the Facility should be able to receive funding from other Union programmes and instruments provided that such support does not cover the same cost.	should be additional to the support provided under other Union funds and programmes, and reform and investment projects financed under the Facility should be able to receive funding from other Union programmes and instruments provided that such support does not cover the same cost. ES: (Comments): Drafting aligned with Article 15.
80.		
81.	(36) Pursuant to paragraphs 22 and 23 of the Interinstitutional Agreement for Better Law-Making of 13 April 2016, there is a need to evaluate the Recovery and Resilience Facility established by this Regulation on the basis of information collected through specific monitoring requirements, while avoiding overregulation and	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

	administrative burdens, in particular on Member States. These requirements, where appropriate, should include measurable indicators, as a basis for evaluating the effects of the instruments on the ground.	
82.		
83.	(37) It is opportune that the Commission provides an annual report to the European Parliament and the Council on the implementation of the Facility set out in this Regulation. This report should include information on the progress made by Member States under the recovery and resilience plans approved; it should also include information on the volume of the proceeds assigned to the Facility under the European Union Recovery Instrument in the previous year, broken down by budget line, and the contribution of the amounts raised through the	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: *6 July 2020 12:00PM CET*

	European Union Recovery Instrument to the achievements of the objectives of the Facility.	
84.		
85.	(38) An independent evaluation, looking at the achievement of the objectives of the Facility established by this Regulation, the efficiency of the use of its resources and its added value should be carried out. Where appropriate, the evaluation should be accompanied by a proposal for amendments to this Regulation. An independent ex-post evaluation should, in addition, deal with the long-term impact of the instruments.	
86.		
87.	(39) The recovery and resilience plans to be implemented by the Member States and the corresponding financial contribution allocated to them	<p>LU: (Drafting):</p> <p>[(39)]</p> <p>LU: (Comments):</p>

<p>should be established by the Commission by way of implementing act. In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. The implementing powers relating to the adoption of the recovery and resilience plans and to the payment of the financial support upon fulfilment of the relevant milestones and targets should be exercised by the Commission in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council, under the examination procedure thereof⁷. After the adoption of an implementing act, it should be possible for the Member State concerned and the Commission to</p>	<p>It is proposed to bracket this entire recital for the purpose of coherence with the corresponding articles.</p> <p>PT: (Drafting):</p> <p>(39) The recovery and resilience plans to be implemented by the Member States and the corresponding financial contribution allocated to them should be established by the Commission by way of implementing act. In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. The implementing powers relating to the adoption of the recovery and resilience plans and to the payment of the financial support upon fulfilment of the relevant milestones and targets should be exercised by the Commission in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council, under the examination advisory procedure thereof⁸. The Commission will exercise its implementing power relating to the adoption of the recovery and resilience plans after the Council discusses in a horizontal manner the overall priorities of the Plans. After the adoption of an implementing act, it should be possible for the Member State concerned and the Commission to agree on certain operational arrangements of a technical nature, detailing aspects of the implementation with respect to timelines, indicators for the milestones and targets, and access to underlying data. To allow the continuous relevance of the operational arrangements in respect of the prevailing circumstances during the implementation of the recovery and resilience plan, it should be possible that the elements of such technical arrangements may be modified by mutual consent. Horizontal financial rules adopted by the European Parliament and the Council on the basis of Article 322 of the Treaty on the Functioning of the European Union apply to this Regulation. These rules are laid down in the Financial Regulation and determine in particular the procedure for establishing and implementing the budget through grants, procurement, prizes, indirect implementation, and provide for checks on the responsibility of financial</p>
--	---

⁷ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

⁸ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

<p>agree on certain operational arrangements of a technical nature, detailing aspects of the implementation with respect to timelines, indicators for the milestones and targets, and access to underlying data. To allow the continuous relevance of the operational arrangements in respect of the prevailing circumstances during the implementation of the recovery and resilience plan, it should be possible that the elements of such technical arrangements may be modified by mutual consent. Horizontal financial rules adopted by the European Parliament and the Council on the basis of Article 322 of the Treaty on the Functioning of the European Union apply to this Regulation. These rules are laid down in the Financial Regulation and determine in particular the procedure for establishing and implementing the budget through grants, procurement, prizes, indirect</p>	<p>actors. [Rules adopted on the basis of Article 322 TFEU also concern the protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States, as the respect for the rule of law is an essential precondition for sound financial management and effective EU funding.]</p> <p>PT: (Comments):</p> <p>Given the large amounts of the Resilience and Recovery Plans and the need for political and economic coordination, we would support a strategic role for the Council. The Council should hold strategic discussions ahead of the Decision of the Commission on the adoption of the Plans.</p> <p>As a discussion will be held at political level, the comitology procedure used should be the advisory procedure.</p> <p>This should be done within proper timeframes to allow for a timely decision, in line with the Semester timeframe.</p> <p>This would ensure the proper transparency, efficiency and accountability.</p> <p>Moreover, payments will be made against the achievement of milestones and targets.</p> <p>We see no need to go over a heavy comitology procedure to decide on the verification of milestones and targets, which will certainly involve the risk of delays and politization (which are not compatible with a sound budgetary management). The verification of the metrics should be a technical and objective task. The Commission is capable of doing this technical assessment and to present it to MS through an advisory procedure.</p> <p>Given that we envisage a stronger role for the Council in the Governance of the RRF, on the basis of the work done by the Commission, there is clear justification, in light of the Comitology Regulation, to opt for an advisory procedure.</p> <p>DK: (Comments):</p> <p><u>We should ensure that Member States receiving financial assistance respect EU fundamental rights (non-</u></p>
--	--

	<p>implementation, and provide for checks on the responsibility of financial actors. [Rules adopted on the basis of Article 322 TFEU also concern the protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States, as the respect for the rule of law is an essential precondition for sound financial management and effective EU funding.]</p>	<p><u>discrimination etc.) and rule of law.</u></p> <p>ES: (Comments):</p> <p>It is essential to ensure swift comotology procedures.</p> <p>It is in the interest of all to have procedures as objective and streamlined as possible. Politizing decisions can damage our effectiveness and our credibility.</p> <ul style="list-style-type: none"> - Firstly, regarding the approval of the plans, we find the Commission's proposal already quite burdensome and lengthy, and hence do not support any further involvement of the Council for several reasons: <ul style="list-style-type: none"> o The Council taking decisions by means of an implementing act is the exception in our system. o The Council has already its role in the approval of the CSRs. o Member States are already represented in the comitology procedure foreseen by the Commission in the approval of the plan. o It will politicize the whole process. If the purpose is to raise the political profile of this decision, we would wonder why not to involve the European parliament as well. - Secondly, regarding decisions authorising disbursements, we find the Commission's proposal too burdensome. Once the plans are approved the disbursement process should have a mere consultative nature with Member States. - In addition, it is critical to specify well the time limits set for approval of the disbursement, which are not clear now. We should start working on this matter at technical level. - Ultimately, let's not forget that our ultimate goal is to ensure a timely support for the recovery of our
--	---	--

		<p>economies. For that matter, streamlining governance is required, as well as (i) to advance payments from the Facility immediately after the plan has been approved, and (ii) to reinforce REACT-EU, including in the annual commitment for 2020.</p> <p>SE: (Comments):</p> <p>We understand that the governance sections are in brackets.</p> <p>IT: (Drafting):</p> <p>(39) The recovery and resilience plans to be implemented by the Member States and the corresponding financial contribution allocated to them should be established by the Commission by way of implementing act. In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. The implementing powers relating to the adoption of the recovery and resilience plans and to the payment of the financial support upon fulfilment of the relevant milestones and targets should be exercised by the Commission in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council, under the examination advisory procedure thereof⁹, given the need to guarantee a timely and effective allocation of the resources available for non-repayable support while frontloading at least 60 percent of the financial support in the initial years of the crisis. After the adoption of an implementing act, it should be possible for the Member State concerned and the Commission to agree on certain operational arrangements of a technical nature, detailing aspects of the implementation with respect to timelines, indicators for the milestones and targets, and access to underlying data. To allow the continuous relevance of the operational arrangements in respect of the prevailing circumstances during the implementation of the recovery and resilience plan, it should be possible that the elements of such technical arrangements may be modified by mutual consent. Horizontal financial rules adopted by the European Parliament and the Council on the basis of Article 322 of the</p>
--	--	---

⁹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

		Treaty on the Functioning of the European Union apply to this Regulation. These rules are laid down in the Financial Regulation and determine in particular the procedure for establishing and implementing the budget through grants, procurement, prizes, indirect implementation, and provide for checks on the responsibility of financial actors. [Rules adopted on the basis of Article 322 TFEU also concern the protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States, as the respect for the rule of law is an essential precondition for sound financial management and effective EU funding.]
88.		
89.	(40) In accordance with the Financial Regulation, Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council ¹⁰ , Council Regulation (Euratom, EC) No 2988/95 ¹¹ , Council Regulation (Euratom, EC) No 2185/96 ¹² and Council Regulation (EU) 2017/1939 ¹³ , the financial interests of the Union are to be protected	

¹⁰ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999, (OJ L248, 18.9.2013, p. 1)

¹¹ Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.95, p.1)

¹² Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L292, 15.11.96, p.2)

¹³ Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO') (OJ L283, 31.10.2017,, p.1)

	<p>through proportionate measures, including the prevention, detection, correction and investigation of irregularities and fraud, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, the imposition of administrative sanctions. In particular, in accordance with Regulation (EU, Euratom) No 883/2013 and Regulation (Euratom, EC) No 2185/96, the European Anti-Fraud Office (OLAF) may carry out administrative investigations, including on-the-spot checks and inspections, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union. In accordance with Regulation (EU) 2017/1939, the European Public Prosecutor's Office (EPPO) may investigate and prosecute fraud and other criminal offences affecting the financial interests of the Union</p>	
--	--	--

	as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council ¹⁴ . In accordance with the Financial Regulation, any person or entity receiving Union funds is to fully cooperate in the protection of the Union's financial interests, to grant the necessary rights and access to the Commission, OLAF, the EPPO and the European Court of Auditors and to ensure that any third parties involved in the implementation of Union funds grant equivalent rights to the Commission, OLAF, the EPPO and the European Court of Auditors.	
90.		
91.	(41) Since the objectives of this Regulation cannot be sufficiently achieved by the Member States alone, but can rather be better	

¹⁴ Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29)

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: *6 July 2020 12:00PM CET*

	achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond that which is necessary to achieve that objective.	
92.		
93.	(42) In order to allow for the prompt application of the measures provided for in this Regulation, this Regulation should enter into force on the day following that of its publication in the Official Journal of the European Union,	
94.		
95.	HAVE ADOPTED THIS REGULATION:	
96.		

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

97.	CHAPTER I	
98.		
99.	General provisions and financial envelope	<p>LV: (Comments):</p> <p>Since MS are already taking the measure to overcome the COVID crisis as well as to improve the resilience and adjustment capacity of the economy in the future, we would urge to find a way to insert retroactive eligibility clause for those projects who are eligible according to the Regulation but whose preparation and implementation has started already in 2020 (solution similar to the one of SURE regulation)</p>
100.		
101.	Article 1 Subject matter	
102.		
103.	This Regulation establishes a Recovery and Resilience Facility (the 'Facility').	
104.		
105.	It lays down its objectives, the financing, the forms of Union funding and the rules for providing such funding.	

106.		
107.	Article 2 Definitions	
108.		
109.	For the purposes of this Regulation, the following definitions apply:	
110.		
111.	1. 'Union Funds' means the funds covered by Regulation (EU) YYY/XX of the European Parliament and of the Council [CPR successor] ¹⁵ ;	
112.		
113.	2. 'Financial contribution' means non-repayable financial support available for allocation or allocated to the Member States under the Facility; and	<p>DK: (Drafting):</p> <p>2. 'Financial contributionassistance' means non-repayable financial support available for allocation or allocated to the Member States under the Facility; and</p> <p>DK: (Comments):</p> <p><u>We support financial assistance from the Facility in the form of loans. The Facility should not provide</u></p>

¹⁵ OJ C , , p. .

		<p><u>grants.</u></p> <p>SE: (Drafting):</p> <p>Financial contribution’ means non-repayable financial support available for allocation or allocated to the Member States under the Facility; and</p> <p>SE: (Comments):</p> <p>Sweden does not support the use of non-repayable grant support.</p>
114.		
115.	3. ‘European Semester of economic policy coordination’ (hereinafter ‘European Semester’) means the process set out by Article 2-a of Council Regulation (EC) No 1466/97 of 7 July 1997 ¹⁶ .	
116.		
117.	Article 3 Scope	
118.		

¹⁶ Council Regulation (EC) No 1466/97 of 7 July 1997 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies (OJ L 209, 2.8.1997, p. 1).

119.	<p>The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, the green and digital transitions, health, competitiveness, resilience, productivity, education and skills, research and innovation, smart, sustainable and inclusive growth, jobs and investment, and the stability of the financial systems.</p>	<p>LU: (Drafting):</p> <p>The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, the green and digital transitions, health, competitiveness and a well functioning single market, resilience, productivity, education and skills, research and innovation, smart, sustainable and inclusive growth, jobs and investment, and the stability of the financial systems.</p> <p>LU: (Comments):</p> <p>It is essential to ensure a well functioning single market throughout the recovery process.</p> <p>FI: (Drafting):</p> <p><u>The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, the green and digital transitions, health, competitiveness, resilience, productivity, education and skills, research, development and innovation, smart, sustainable and inclusive growth and jobs and investment, and the stability of the financial systems.</u></p> <p>FI: (Comments):</p> <p>We want to underline the role of R&D&I for inceresign growth potential.</p> <p>DK: (Drafting):</p> <p>The scope of application of the Recovery and Resilience Facility established by this Regulation shall <u>address the economic impact of the COVID-19 crisis. It shall</u> refer to policy areas related to economic, social and territorial cohesion, <u>to the achievement of a sound medium-term budgetary position</u>, the green and digital transitions, health, competitiveness <u>and a well-functioning Single Market</u>, resilience, productivity, education and skills,</p>
------	---	--

	<p>research and innovation, smart, sustainable and inclusive growth, jobs and investment, and the stability of the financial systems.</p> <p>DK: (Comments):</p> <p><u>Scope and objectives of the Facility should generally reflect that this is a crisis instrument established specifically to address the economic impact of the COVID-19 crisis.</u></p> <p><u>Commission proposal on scope and objectives could be better targeted and focused on the impact of the COVID-19 crisis.</u></p> <p><u>We support a stronger emphasize on the resilience part of the objective of the Facility, including sound public finances, to ensure that Member States are better prepared to withstand an economic crisis in the future.</u></p> <p>SE: (Drafting):</p> <p>The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, <u>to the achievement of a sound medium-term budgetary position,</u> the green and digital transitions, health, competitiveness <u>and a well-functioning single market,</u> resilience, productivity, education and skills, research and innovation, smart, sustainable and inclusive growth, <u>gender equality,</u> jobs and investment, and the stability of the financial systems.</p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future.</p> <p>There should also be a link to a well-functioning single market and gender equality.</p>
--	--

		<p>LV: (Drafting):</p> <p>The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, <u>upward economic and social convergence</u>, the green and digital transitions, health, competitiveness, resilience, productivity, education and skills, research and innovation, smart, sustainable and inclusive growth, jobs and investment, and the stability of the financial systems.</p> <p>AT: (Drafting):</p> <p>The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, the green and digital transitions, health, competitiveness, resilience, productivity, education and skills, research and innovation, smart, sustainable and inclusive growth, jobs and investment, and the stability of the financial systems.</p> <p>AT: (Comments):</p> <p>Support under the Facility for the stability of financial systems is not acceptable, as this would contradict the lessons learnt from the last crisis and the fundamental pillar of Banking Union. Adequate instruments to deal with troubled financial sectors are available and shall be applied in case of need.</p> <p>CZ: (Drafting):</p> <p>“The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, the upward economic and social convergence, the green and digital transitions, health, competitiveness...”</p> <p>CZ: (Comments):</p>
--	--	--

		<p>We consider the upward economic and social convergence as a necessary way to achieve cohesion across the EU. It is a goal stemming from the Treaties and essential means of achieving resilience.</p> <p>RO: (Comments):</p> <p>We should reflect on a cut-off date for the retroactive application of the regulation, especially on investment.</p> <p>BE: (Drafting):</p> <p>The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, the green and digital transitions, clean circular economy, biodiversity, toxic-free environment, climate, health, competitiveness, resilience, productivity, education and skills, research and innovation, smart, sustainable and inclusive growth, jobs and investment, and the stability of the financial systems.</p> <p>FR: (Drafting):</p> <p>The scope of application of the Recovery and Resilience Facility established by this Regulation shall refer to policy areas related to economic, social and territorial cohesion, the green and digital transitions, health, competitiveness, resilience, productivity, education and skills, research and innovation, smart, sustainable and inclusive growth, jobs and investment, and the stability of the financial systems.</p> <p>FR: (Comments):</p> <p><i>FR: The RRF should help financing investments in the real economy, it should not be used to bail-out the financial sector. We should reduce rather than expand the possibilities to circumvent the EU bank resolution framework.</i></p>
--	--	--

		NL (Drafting): , and the stability of the financial systems.
120.		
121.	Article 4 General and specific objectives	DK: (Comments): <u>See comments to article 3.</u>
122.		
123.	1. The general objective of the Recovery and Resilience Facility shall be to promote the Union's economic, social and territorial cohesion by improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting	<p>LU: (Drafting):</p> <p>The general objective of the Recovery and Resilience Facility shall be to promote the Union's economic, social and territorial cohesion by improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, ensuring a well-functioning single market, strengthening the resilience of cross-border supply chains and supporting the green and digital transitions, thereby contributing to restoring productivity gains and the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting sustainable growth.</p> <p>LU: (Comments):</p> <p>Please refer to our comment in line 284.</p> <p>In light of the recovery and the long-term challenges faced by the MS, future income and employment growth in Europe will depend crucially on higher productivity.</p> <p>FI: (Drafting):</p>

	<p>sustainable growth.</p>	<p><u>The general objective of the Recovery and Resilience Facility shall be to address the economic impact of the COVID-19 crisis. It should promote the Union's economic, social and territorial cohesion by improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting sustainable growth.</u></p> <p>FI: (Comments):</p> <p><u>The objective of the instrument should be clearly stated: to address the economic impacts of the Covid-19 crisis.</u></p> <p>PT: (Drafting):</p> <p>1. The general objective of the Recovery and Resilience Facility shall be to promote the Union's economic, social and territorial cohesion, ensuring upward and economic convergence, by improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting sustainable growth.</p> <p>PT: (Comments):</p> <p>Following the discussions on this aspect in the last FiCo meeting and the Commission's explanations, a reference to economic convergence should be included in the general objectives.</p> <p>DK: (Drafting):</p> <p>1. The general objective of the Recovery and Resilience Facility shall be to <u>address the economic impact of</u></p>
--	----------------------------	---

		<p><u>the COVID-19 crisis. It should</u> promote the Union’s economic, social and territorial cohesion by improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting sustainable growth.<u>the achievement of sound medium-term budgetary positions allowing sufficient fiscal space, and promoting sustainable growth. The Recovery and Resilience Facility shall in particular contribute significantly to the implementation of the Union's climate objective for 2030 set out in Article 2(11) of Regulation (EU) No 2018/1999 and the objective of a climate-neutral Union economy by 2050.</u></p> <p>DK: (Comments):</p> <p><u>We fully support the objective that the Facility should contribute effectively to the green and digital transition. The Facility should contribute to the EU’s 2030 climate objective.</u></p> <p>ES: (Comments):</p> <p>How are national the budgetary process and the Recovery and Resilience plans interrelated? In particular, how are Member States expected to reflect the flows of funds (costs and revenues) of investments and reforms of Recovery and Resilience Plans in the budgets of 2021 and 2022?</p> <ul style="list-style-type: none"> ○ Timing issues: draft budget is prepared the preceding year but the Recovery and Resilience Plan will not be approved by the Commission until April, at the earliest. ○ In terms of expenditures, should the costs of investment and reforms be included as expenditures in the budget? ○ In terms of revenues, it is important that funds to be received are granted as ‘payment appropriations’ (instead of ‘commitment appropriations’) so as to ensure that funds can be
--	--	---

		<p>included as revenues in the national budget.</p> <ul style="list-style-type: none"> ○ It is crucial that the frontloading of funds is reflected in terms of payment appropriations (vs. commitment appropriations). <p>For budgetary planning purposes, how can Member States design a timeline of payments to be received?</p> <ul style="list-style-type: none"> ○ Article 4 of the RRF Regulation proposal states ‘the specific objective of the Recovery and Resilience Facility shall be to provide Member States <u>with financial support with a view to achieving the milestones and targets</u> of reforms and investments as set out in their recovery and resilience plans’. The breakdown of expenditures per year included in annex 3.2 (‘Estimated impact on expenditure’) of the proposal, currently foreseeing a low percentage of payment appropriations in 2021 and 2022, should be aligned with the objective set out in article 4. <p>SE: (Drafting):</p> <p>The general objective of the Recovery and Resilience Facility shall be to <u>address the economic impact of the COVID-19 crisis. It should</u> promote the Union’s economic, social and territorial cohesion by improving the resilience and adjustment capacity of the Member States <u>by addressing challenges of a structural nature</u>, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, <u>the achievement of sound medium-term budgetary positions allowing room for budgetary manoeuvre</u>, and promoting sustainable growth. <u>The Recovery and Resilience Facility shall contribute significantly to the implementation of the Union's climate objective for 2030 set out in Article 2(11) of Regulation (EU) No 2018/1999 and the objective of a climate-neutral Union economy by 2050.</u></p> <p>SE: (Comments):</p>
--	--	---

	<p>It is important to make a clear link to the COVID-19 crisis upfront. It is also important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future</p> <p>In line with suggested new paragraph in art. 14, it shall be clearly stated under the general and specific objectives that the Facility will contribute to the EU’s climate objectives.</p> <p>NL: (Drafting):</p> <p>1. The general objective of the Recovery and Resilience Facility shall be to <u>address the economic impact of the COVID pandemic. It shall</u> promote the Union’s economic, social and territorial cohesion by improving the resilience and adjustment capacity of the Member States <u>by addressing challenges of a structural nature</u>, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, <u>the achievement of sound medium-term budgetary positions</u>, and promoting sustainable growth. <u>The Recovery and Resilience Facility shall in particular contribute significantly to the implementation of the Union's climate objective for 2030 set out in Article 2(11) of Regulation (EU) No 2018/1999 and the objective of a climate-neutral Union economy by 2050.</u></p> <p>NL: (Comments):</p> <p>The overall objective shall be clearly linked to the pandemic. A reference to addressing medium- to long-term structural challenges identified in the EU Semester process is needed, since these are key to preparing EU economies better for future crises. We expect reforms to also contribute to sound budgetary positions, this could therefore be included. RRF spending should contribute to the 2030 climate objective.</p> <p>AT: (Drafting):</p> <p>1. The general objective of the Recovery and Resilience Facility shall be to promote the Union’s economic,</p>
--	---

	<p>social and territorial cohesion in the aftermath of the COVID-19 pandemic by improving the resilience and adjustment capacity of the Member States</p> <p>by addressing challenges of a structural nature, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting sustainable growth.</p> <p>AT: (Comments):</p> <p>The objectives of the Facility should be linked to the pandemic.</p> <p>A reference to addressing medium- to long-term structural challenges identified in the EU Semester process is needed, since these are key to preparing EU economies better for future crises. The proposed wording is taken from the Explanatory Memorandum, Section 2, under Subsidiarity.</p> <p>CZ: (Drafting):</p> <p>“1. The general objective of the Recovery and Resilience Facility shall be to promote the Union’s economic, social and territorial cohesion by improving the resilience and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, the increasing rate of the economic and social convergence and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting sustainable growth.”</p> <p>CZ: (Comments):</p>
--	---

		<p>We consider the upward economic and social convergence as a necessary way to achieve cohesion across the EU. It is a goal stemming from the Treaties and essential means of achieving resilience.</p> <p>RO: (Drafting):</p> <p>1. The general objective of the Recovery and Resilience Facility shall be to promote the Union’s economic, social and territorial cohesion by improving the resilience, competitiveness and adjustment capacity of the Member States, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting sustainable growth.</p> <p>RO: (Comments):</p> <p>Enhancing competitiveness is a key concept for the Annual Sustainable Growth Strategy.</p> <p>FR: (Drafting):</p> <p>“The general objective of the Recovery and Resilience Facility shall be to promote the Union’s economic, social and territorial cohesion by improving the resilience and adjustment capacity of the Member States and contributing to the Union’s strategic autonomy, mitigating the social and economic impact of the crisis, and supporting the green and digital transitions, thereby contributing to restoring the growth potential of the economies of the Union, fostering employment creation in the aftermath of the COVID-19 crisis, and promoting sustainable growth.</p> <p>FR: (Comments):</p> <p><i>FR: National recovery plans should also contribute more widely to the Union’s shared strategic autonomy objective as mentioned by the explanatory memorandum. Annex II should be modified accordingly.</i></p>
--	--	---

124.		
125.	<p>2. To achieve that general objective, the specific objective of the Recovery and Resilience Facility shall be to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans. That specific objective shall be pursued in close cooperation with the Member States concerned.</p>	<p>HU: (Drafting):</p> <p>2. To achieve that general objective, the specific objective of the Recovery and Resilience Facility shall be to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans. That specific objective shall be pursued in close cooperation with the Member States concerned.</p> <p>3. Reforms and investments initiated by the Member States after 1 February 2020 are eligible under the Reform and Resilience Facility.</p> <p>HU: (Comments):</p> <p>A clear cut off date is essential in order to guide MSs when preparing their recovery and resilience plans. It is justified to put this date at the beginning of the crisis, thus allowing MSs to include in their plans the immediate crisis related measures as well.</p> <p>SE: (Drafting):</p> <p>To achieve that general objective, the specific objective of the Recovery and Resilience Facility shall be to provide Member States with financial support <u>in exchange for</u> with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans. That specific objective shall be pursued in close cooperation with the Member States concerned.</p> <p>SE: (Comments):</p> <p>Sweden strongly supports the approach with milestones to be achieved before disbursements. Do not support any retroactive financing or pre-financing.</p>

	<p>NL: (Drafting):</p> <p>2. To achieve that general objective, the specific objective of the Recovery and Resilience Facility shall be to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans <u>reform and investment plans</u>. That specific objective shall be pursued in close cooperation with the Member States concerned.</p> <p>NL: (Comments):</p> <p>We propose to make a clear distinction between reform plans and investment plans in the regulation, and have made suggestions accordingly throughout the articles (this would also need to be done in the recitals). This guarantees that all provisions on the content of plans, the criteria for their assessment, and the disbursement of payments applies to both investments and reforms separately. This is necessary, as the Commission's proposal does not make clear what the balance of investment and reform will be; member states could comply by mostly investing with just some minimal reform. In our view, good reform plans and their successful implementation should be a separate condition in order to receive funds for investment.</p> <p>AT: (Drafting):</p> <p>2. To achieve that general objective, the specific objective of the Recovery and Resilience Facility shall be to provide Member States with financial support with a view to in exchange for achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans. That specific objective shall be pursued in close cooperation with the Member States concerned.</p> <p>AT: (Comments):</p> <p>Funding from the EU level should be used as a carrot for ambitious structural reform that would otherwise not take place. This could be a way to generate real EU value added. Recovery and resilience plans should include</p>
--	--

		legislative or other reforms with limited budgetary cost; the proposed wording would better account for such reforms.
126.		<p>NL: (Drafting):</p> <p><u>Article [..] (NEW)</u></p> <p><u>The Recovery and Resilience Facility shall not support:</u></p> <p><u>(a) the manufacturing, processing and marketing of tobacco and tobacco products;</u></p> <p><u>(b) undertakings in difficulty, as defined in Article 2(18) of Commission Regulation (EU) No 651/201416;</u></p> <p><u>(c) investment in airport infrastructure except for outermost regions;</u></p> <p><u>(d) investment in disposal of waste in landfill;</u></p> <p><u>(e) investment in facilities for the treatment of residual waste;</u></p> <p><u>(f) investment related to production, processing, distribution, storage or combustion of fossil fuels, with the exception of investment related to clean vehicles as defined in Article 4 of Directive 2009/33/EC of the European Parliament and of the Council²⁶;</u></p> <p><u>(g) investment in broadband infrastructure in areas in which there are at least two broadband networks of equivalent category;</u></p> <p><u>(h) funding for the purchase of rolling stock for use in rail transport, except if it is linked to the:</u></p> <p><u>(i) discharge of a publicly tendered public service obligation under Regulation 1370/2007 as amended;</u></p> <p><u>(ii) provision of rail transport services on lines fully opened to competition, and the beneficiary is a new</u></p>

		<p><u>entrant eligible for funding under Regulation (EU) 2018/xxxx [Invest EU regulation].</u></p> <p><u>(i) investment in housing unless related to the promotion of energy efficiency or renewable energy use.</u></p> <p>NL: (Comments):</p> <p>We would like to include an exclusion list (in line with JTF and ERDF exclusion list) to ensure that investments are not targeted for goals not in line with climate goals (such as fossil fuels) or other Union priorities.</p>
127.	Article 5 Resources from the European Union Recovery Instrument	<p>DK: (Comments):</p> <p><u>We do not support the proposed size of the Facility of 560 billion euro (2018 prices). Size should be reduced significantly.</u></p> <p><u>Size should better reflect that it is a crisis instrument and Member States capacity to absorb financial assistance until expiry in 2022.</u></p> <p><u>According to the Commissions estimates, about 30 percent of financial assistance from the Facility would be committed and paid out by end 2022, and about 80 percent would be comitted and paid out by end 2024.</u></p> <p><u>Therefore, there is significant room to reduce size compared to proposal.</u></p> <p><u>Furthermore, we do not support the proposed balance between grants and loans. Facility should provide loans on favorable terms.</u></p> <p><u>Loans on favorable terms would provide cheap financial assistance (it would cost next to nothing with current interest rates) and would better than financial contributions support sound economic policies in Member States.</u></p> <p><u>We suggest to delete the big numbers for now and leave it to our leaders to decide.</u></p>

128.		
129.	[1. Measures referred to in Article 2 of Regulation [EURI] shall be implemented under this Facility:	
130.		
131.	(a) through amount of EUR 334 950 000 000 referred to in point (ii) of Article 3(2)(a) of Regulation [EURI] in current prices, available for non-repayable support, subject to Article 4(4) and (8) of Regulation [EURI].	<p>DK: (Drafting):</p> <p>(a) through amount of EUR 334 950 000 000[XXX] referred to in point (ii) of Article 3(2)(a) of Regulation [EURI] in current prices, available for non-repayable support, subject to Article 4(4) and (8) of Regulation [EURI].</p> <p>DK: (Comments):</p> <p><u>See comments in 127.</u></p> <p>SE: (Comments):</p> <p>SE does not support grants from the facility (i.e. could only support loans)</p>
132.		
133.	These amounts shall constitute external assigned revenues in accordance with Article 21(5) of the Financial Regulation.	

134.		
135.	(b) through amount of EUR 267 955 000 000 referred to in Article 3(2)(b) of Regulation [EURI] in current prices, available for loan support to Members States pursuant to Article 12 and 13, subject to Article 4(5) of Regulation [EURI].]	<p>DK: (Drafting):</p> <p>b) through amount of EUR 267 955 000 000[XXX] referred to in Article 3(2)(b) of Regulation [EURI] in current prices, available for loan support to Members States pursuant to Article 12 and 13, subject to Article 4(5) of Regulation [EURI].]</p> <p>DK: (Comments):</p> <p><u>See comments in 127.</u></p>
136.		
137.	2. The amounts referred to in paragraph 1(a) may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities, which are required for the management of each instrument and the achievement of its objectives, in particular studies, meetings of experts, information and communication actions, including	<p>LU: (Comments):</p> <p>On p.40 of the proposal, the Commission indicates that up to 42 billion may be dedicated to administrative expenditure, such as studies, IT networks etc. Since it is an overall amount, how is it going to affect the national envelopes? Will they be reduced on a pro rata basis?</p> <p>PT: (Drafting):</p> <p>2. The amounts referred to in paragraph 1(a) may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities, which are required for the management of each instrument and the achievement of its objectives, in particular studies, meetings of experts, information and communication actions, including corporate communication of the political priorities of the Union, in so far as they are related to the</p>

	<p>corporate communication of the political priorities of the Union, in so far as they are related to the objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange, corporate information technology tools, and all other technical and administrative assistance expenses incurred by the Commission for the management of each instrument. Expenses may also cover the costs of other supporting activities such as quality control and monitoring of projects on the ground and the costs of peer counselling and experts for the assessment and implementation of reforms and investments.</p>	<p>objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange, corporate information technology tools, and all other technical and administrative assistance expenses incurred by the Commission for the management of each instrument and by the Member States for the implementation of this facility. Expenses may also cover the costs of other supporting activities such as quality control and monitoring of projects on the ground and the costs of peer counselling and experts for the assessment and implementation of reforms and investments.</p> <p>PT: (Comments):</p> <p>It is important to establish how the MS will finance both the preparation and the implementation of national recovery and resilience plans.</p> <p>SE: (Drafting):</p> <p>The amounts referred to in paragraph 1(a) may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities, which are required for the management of each instrument and the achievement of its objectives, in particular studies, meetings of experts, information and communication actions, including corporate communication of the political priorities of the Union, in so far as they are related to the objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange, corporate information technology tools, and all other technical and administrative assistance expenses incurred by the Commission for the management of each instrument. Expenses may also cover the costs of other supporting activities such as quality control and monitoring of projects on the ground and the costs of peer counselling and experts for the assessment and implementation of reforms and investments. <u>The Commission should aim at fully cover its financing and operating costs and shall include an appropriate margin. The full administrative costs including overheads shall be covered. The pricing shall be detailed in an implementing act.</u></p> <p>SE: (Comments):</p>
--	---	--

		<p>The advantage of the loans should be limited to passing-on of the EU:s favourable borrowing terms. There should be no other subsidy, i.e. full coverage of all the costs for the lending must be borne by the borrowing Member State.</p> <p>LV: (Drafting):</p> <p><u>2. The amounts referred to in paragraph 1(a) may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities, which are required for the management of each instrument and the achievement of its objectives, in particular studies, meetings of experts, information and communication actions, including corporate communication of the political priorities of the Union, in so far as they are related to the objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange, corporate information technology tools, and all other technical and administrative assistance expenses incurred by the Commission and the member-states for the management of each instrument. Expenses may also cover the costs of other supporting activities such as quality control and monitoring of projects on the ground and the costs of peer counselling and experts for the assessment and implementation of reforms and investments.</u></p> <p>LV: (Comments):</p> <p><u>In order to ensure the capacity of the member-state authorities to develop thorough and substantiated recovery and resilience plans and to manage the delivery of results, technical assistance should be made available to the member-states.</u></p>
138.		
139.	Article 6 Resources from shared management programmes	

140.		
141.	Resources allocated to Member States under shared management may, at their request, be transferred to the Facility. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation. Those resources shall be used for the benefit of the Member State concerned.	<p>PT: (Drafting):</p> <p>Resources allocated to Member States under shared management may, at their request, be transferred to the Facility. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation. Those resources shall be used exclusively for the benefit of the Member State concerned.</p> <p>PT: (Comments):</p> <p>Same language as in the Technical Support Instrument.</p> <p>DK: (Drafting):</p> <p>Resources allocated to Member States under shared management may, at their request, be transferred to the Facility. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation. Those resources shall be used for the benefit of the Member State concerned.</p> <p><u>A Member State shall co-finance at least 25 percent of the amount of the estimated total reform and investment costs.</u></p> <p>DK: (Comments):</p> <p><u>Important to introduce measures to reduce moral hazard and promote national ownership. Co-financing could be a sound way ahead ensuring strong incentives to develop targeted and effective R&R plans.</u></p> <p>ES: (Comments):</p>

		<p>Further clarification on the meaning of this article is needed.</p> <p>BG: (Drafting):</p> <p>Resources allocated to Member States under shared management may, at their request, be transferred to the Facility. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation. Those resources shall be used exclusively for the benefit of the Member State concerned.</p> <p>CZ: (Drafting):</p> <p>“...Those resources shall be used for the benefit of the Member State concerned and a transfer made by a Member State shall be used exclusively in that Member State.”</p> <p>CZ: (Comments):</p> <p>CZ: The wording is less unambiguous than the similar wording in proposal for the regulation establishing Technical Support Instrument (TSI). We recommend clarifying the wording to make it clear that the transferred funds may only be used for the Member State, so we suggest adding an amendment to the last sentence of Art. 6 as it is the TSI regulation.</p> <p>IT: (Drafting):</p> <p>Resources allocated to Member States under shared management may, at their request, be transferred to the Facility. The Commission shall implement those resources directly in accordance with point (a) of Article 62(1) of the Financial Regulation. Those resources shall be used for the exclusive benefit of the Member State concerned.</p>
142.		

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

143.	Article 7 Implementation	SI: (Comments): We are more in favour of council decision on the recovery plans, and ask the presidency for alternative wording.
144.		
145.	The Recovery and Resilience Facility shall be implemented by the Commission in direct management in accordance with the Financial Regulation.	
146.		
147.	Article 8 Additionality and complementary funding	DK: (Comments): <u>Financial assistance from the Facility shall not crowd out nationally financed growth enhancing investments and consumption.</u>
148.		
149.	Support under the Recovery and Resilience Facility shall be additional to the support provided under other Union funds and programmes. Reform and investment projects may receive support from other Union	LU: (Drafting): Support under the Recovery and Resilience Facility shall be additional to the support provided under other Union funds and programmes. [Reform and investment projects may receive support from other Union programmes and instruments provided that such support does not cover the same cost]. LU: (Comments): Under the public sector loan facility, there is no support foreseen under other programs. Why has the Commission

	programmes and instruments provided that such support does not cover the same cost.	seemingly chosen a different route in this case? This seems surprising given that additionality is an important element of the instrument.
150.		<p>NL: (Drafting):</p> <p><u>New article 8a Supported investment</u></p> <p><u>A Member State benefitting from RRF support shall, in any given year in which it receives a contribution do the following:</u></p> <p><u>(a) invest in eligible public investment an amount corresponding to at least the amount of the RRF contribution,</u></p> <p><u>(b) maintain the same level of its public investment compared to the average level of its public investment in the five previous years.</u></p> <p>NL: (Comments):</p> <p>This provision is taken from the Commission proposal for an investment stabilisation function (May 20218). It aims to prevent the RRF from being used (indirectly) to support government consumption.</p>
151.	Article 9 Measures linking the Facility to sound economic governance	<p>DK: (Comments):</p> <p><u>There should be strong safeguards to avoid fraud, corruption and other criminal activities related to financial assistance from the Facility.</u></p> <p>IT: (Drafting):</p> <p>Article 9</p>

		<p>Measures linking the Facility to sound economic governance</p> <p>IT: (Comments):</p> <p><i>Macroeconomic conditionality should be dropped as it would not be consistent with a programme aimed at supporting the recovery and resilience of Member States struggling with the consequences of a shock beyond government control. The link with the European semester already ensures the consistence of the programmes with the framework of economic governance.</i></p>
152.		
153.	<p>1. In the event of significant non-compliance in relation to any of the cases laid down in Article 15(7) of the Regulation laying down common provisions on the [...]][CPR], the Council shall, on a proposal from the Commission, adopt a decision by means of an implementing act to suspend the time period for the adoption of the decisions referred to in Articles 17(1) and 17(2) or to suspend payments under the Recovery and Resilience Facility.</p>	<p>AT: (Drafting):</p> <p>1. In the event of significant non-compliance in relation to any of the cases laid down in Article 15(7) of the Regulation laying down common provisions on the [...]][CPR], the Council shall, on a proposal from the Commission, adopt a decision by means of an implementing act to suspend the time period for the adoption of the decisions referred to in Articles 17(1) and 17(2) or to suspend and/or reclaim payments under the Recovery and Resilience Facility.</p> <p>AT: (Comments):</p> <p>There should be an option to “claw back” payments to support ownership and limit moral hazard, fraud etc. Suspending only might not do the trick.</p> <p>IT: (Drafting):</p> <p>1. In the event of significant non-compliance in relation to any of the cases laid down in Article 15(7) of the Regulation laying down common provisions on the [...]][CPR], the Council shall, on a proposal from the Commission, adopt a decision by means of an implementing act to suspend the time period for the adoption of the</p>

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

		decisions referred to in Articles 17(1) and 17(2) or to suspend payments under the Recovery and Resilience Facility.
154.		
155.	The decision to suspend payments referred to in paragraph 1 shall apply to payment applications submitted after the date of the decision to suspend.	IT: (Drafting): The decision to suspend payments referred to in paragraph 1 shall apply to payment applications submitted after the date of the decision to suspend.
156.		
157.	The suspension of the time period referred to in Article 17 shall apply from the day after the adoption of the decision referred to in paragraph 1.	IT: (Drafting): The suspension of the time period referred to in Article 17 shall apply from the day after the adoption of the decision referred to in paragraph 1.
158.		
159.	In case of suspension of payments Article 15(9) of Regulation laying down common provisions on the	IT: (Drafting): In case of suspension of payments Article 15(9) of Regulation laying down common provisions on the (...) shall apply.

	(...) shall apply.	
160.		
161.	2. In the event of occurrence of any of the cases referred to in Article 15(11) of the Regulation laying down common provisions on the [...], the Council shall, on a proposal from the Commission, adopt a decision by means of an implementing act to lift the suspension of the time period or of payments referred to in the previous paragraph.	IT: (Drafting): 2. — In the event of occurrence of any of the cases referred to in Article 15(11) of the Regulation laying down common provisions on the [...], the Council shall, on a proposal from the Commission, adopt a decision by means of an implementing act to lift the suspension of the time period or of payments referred to in the previous paragraph.
162.		
163.	The relevant procedures or payments shall resume the day after the lifting of the suspension.	IT: (Drafting): The relevant procedures or payments shall resume the day after the lifting of the suspension.
164.		SE: (Drafting): <u>New: A Member State shall repay to the Commission any financial contribution paid to it pursuant to Article 15 with respect to a reform commitment, where, within five years of the payment, the conditions that allowed such payments have changed significantly in the Member State concerned.</u>

		<p><u>The Commission shall report any reversals of reforms to the Council.</u></p> <p>SE: (Comments):</p> <p>Important to have a “claw-back” provision in case reforms are reversed.</p>
165.	CHAPTER II	
166.		
167.	Financial contribution, allocation process and loans	<p>FI: (Comments):</p> <p><u>A general remark:</u></p> <p><u>Co-financing could be a way ahead to ensure stronger national ownership and incentives for most cost-efficient reform and investment plans.</u></p>
168.		<p>SE: (Drafting):</p> <p><u>New: National co-financing</u></p> <p><u>Member States shall bear a co-financing of 25 percent of the amount of the estimated total reform and investment costs.</u></p> <p>SE: (Comments):</p> <p>National co-financing is important for budget discipline and ownership and builds on agreements for RISP.</p>

169.	Article 10 Maximum financial contribution	
170.		
171.	[A maximum financial contribution shall be calculated for each Member State for the allocation of the amount referred to in Article 5(1)(a), using the methodology set out in Annex I, based on the population, the inverse of the per capita Gross Domestic Product (GDP) and the relative unemployment rate of each Member State.]	<p>FI: (Comments):</p> <p><u>The criteria should reflect the impacts of the Covid-19 crisis and should not be backward-looking.</u> One way would be to consider <u>changes rather than levels. This would require relying on forecasts.</u></p> <p>DK: (Comments):</p> <p><u>Support an allocation key based on solid data to ensure objectivity, transparency, and foreseeability.</u></p> <p><u>Allocation key should be improved, as the suggested key does not sufficiently target economic impacts of COVID-19, since:</u></p> <p><u>1) the key is backward looking based on data prior to the crisis. The R&R Facility should not target neglects of the past.</u></p> <p><u>2) using unemployment data as a proxy for the economic downturn could be conflicted since many Member States have provided costly, national schemes to counter the loss of jobs.</u></p> <p><u>3) 2020 data and other measures, e.g. health expenditures, may better describe the impact of the current crisis.</u></p> <p>LV: (Drafting):</p>

		[A maximum financial contribution shall be calculated for each Member State for the allocation of the amount referred to in Article 5(1)(a), using the methodology set out in Annex I, based on the population, the inverse of the per capita Gross Domestic Product (GDP) with substantial weight and the relative unemployment rate of each Member State.]
172.		
173.	Article 11 Allocation of financial contribution	<p>CZ: (Comments):</p> <p>CZ: The timeframe of the whole instrument is relatively tight given the fact that the reforms and investments under the RRF should bring long lasting effects. A thorough preparation of the national recovery and resilience plans with long-term structural reforms and public investment project proposals is needed. Only so they can contribute to addressing the real structural challenges and thus strengthen the upward economic and social convergence in the context seeking cohesion and resilience.</p> <p>While the argument to frontload to a maximum extent the available resources to the first years after the pandemic crises and thus contribute to the recovery of the Member States could be valid for certain public investment projects, more complex reforms of public sector and preparation of complex plans might require additional time.</p> <p>In the first years of the new MFF, the Member States will not only fight the aftermath of the crisis, but they will need time to assess its impact and prepare the necessary reactions properly and based on detailed analysis.</p> <p>Therefore, the non-competitive period with a maximum financial contribution guaranteed for a Member State (“national envelopes”) should be longer than 2 years and the overall period for requests for financial support (commitment of the funds) should be longer than 4 years.</p>
174.		

175.	<p>1. For a period until 31 December 2022, the Commission shall make available for allocation [EUR 334 950 000 000], referred to in point (a) of Article 5(1). Each Member State may submit requests up to their maximum financial contribution, referred to in Article 10, to implement their recovery and resilience plans.</p>	<p>DK: (Drafting)</p> <p>1. For a period until 31 December 2022, the Commission shall make available for allocation [EUR 334 950 000 000XXX], referred to in point (a) of Article 5(1). Each Member State may submit requests up to their maximum financial contribution<u>assistance</u>, referred to in Article 10, to implement their recovery and resilience plans.</p> <p>DK: (Comments):</p> <p><u>As stated above, size should be reduced significantly. And financial assistance should be provided as loans, not contributions.</u></p> <p>BG: (Drafting):</p> <p>For a period until 31 December 2022⁴, the Commission shall make available for allocation [EUR 334 950 000 000], referred to in point (a) of Article 5(1). Each Member State may submit requests up to their maximum financial contribution, referred to in Article 10, to implement their recovery and resilience plans.</p> <p>BG: (Comments):</p> <p>The period for commitments should be extended given the tight timeframe of the whole instrument. The the national recovery and resilience plans will need a careful preparation as they will include long-term reforms and public investments, thus, we insist on changing the deadlines for commitments.</p> <p>SE: (Drafting):</p> <p>For a period until 31 December 2022, the Commission shall make available for allocation [EUR 334 950 000 000], referred to in point (a) of Article 5(1). Each Member State may submit requests up to their maximum financial contribution, referred to in Article 10, to implement their recovery and resilience plans. <u>For a period</u></p>
------	---	--

	<p><u>until 31 December 2021, 60 percent of the allocation [EUR xx] should be made.</u></p> <p>SE: (Comments):</p> <p>There should be a further front-loading to strengthen the crisis focus of the facility.</p> <p>SE does not support grants from the facility (i.e. could only support loans)</p> <p>CZ: (Drafting):</p> <p>“1. For a period until 31 December 20222024, the Commission shall make available for allocation ...”</p> <p>CZ: (Comments):</p> <p>CZ: The Member States should not be forced to submit the bulk of their national recovery and resilience plans by the end of 2022.</p> <p>A maximum financial contribution available to a Member States should not be limited by 2022. The „national envelopes“ for the Member States should be guaranteed until 2024 to ensure better flexibility for the Member State concerned to address its national priorities during economic recovery. (This would help also to strengthen ownership of the Member States.)</p> <p>Therefore, the “main” - non-competitive period with “national envelopes” guaranteed for the Member States, as a time limit for submission of recovery and resilience plans as requests for financial support in full volume (not only the rest of total allocation lower than 40 %), should be prolonged till the end of 2024.</p> <p>RO: (Drafting):</p> <p>1. For a period until 31 December 2022 2024, the Commission shall make available for allocation [EUR 334 950 000 000], referred to in point (a) of Article 5(1). Each Member State may submit requests up to their</p>
--	---

		<p>maximum financial contribution, referred to in Article 10, to implement their recovery and resilience plans.</p> <p>RO: (Comments):</p> <p>The challenges and priorities during this ongoing pandemic crisis requires for RRF the preparation of mature packages of reforms and investments on numerous areas and a proper administrative capacity. 2 years may not be enough for fully harnessing this opportunity. At the same time, the Recovery and Resilience Plans should cover 4 years of foreseen reforms and 7 years of foreseen investments (art. 15 3 d), so the timetable could be better aligned. Also for the loan RRF component, the eligibility period reaches 2024, so moving the deadline for the grant component to would provide more coherence.</p> <p>EL: (Drafting):</p> <p>For a period until 31 December 2024, the Commission shall make available for allocation [EUR 334 950 000 000], referred to in point (a) of Article 5(1). Each Member State may submit requests up to their maximum financial contribution, referred to in Article 10, to implement their recovery and resilience plans.</p> <p>EL: (Comments):</p> <p>We suggest that the Regulation foresees a period until end 2024 for member states to submit requests up to their maximum financial contribution. Although we agree with the need to frontload implelmentation, the period until end 2022 may turn out to be less than sufficient. We would also disagree with the possibility of competitive calls (see our comment on 177 below).</p> <p>IT: (Comments):</p> <p><i>Please note that national co-financing would not be acceptable in this context.</i></p>
176.		

177.	<p>2. For a period starting after 31 December 2022 until 31 December 2024, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. To that effect, it shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the amount available for allocation. Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to implement the recovery and resilience plan.</p>	<p>LU: (Drafting):</p> <p>For a period starting after 31 December 2022 until 31 December 2024, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. To that effect, it shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the amount available for allocation. Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to implement the recovery and resilience plan.</p> <p>LU: (Comments):</p> <p>More details and clarity should be provided on the organisation of the calls and how the COM intends to keep them in line with the Semester process.</p> <p>In addition, 18 billion in grant commitments are still foreseen by the Commission for the years 2025 to 2027. Why isn't the entire amount made available until 31 December 2024? Are the 18 bn administrative expenditure?</p> <p>FI: (Drafting):</p> <p>For a period starting after 31 December 2022 until 31 December 2024, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. To that effect, it shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the amount available for allocation. Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to implement the recovery and resilience plan.</p> <p>FI: (Comments):</p> <p>The measures should target the current crisis only. Due to the temporary nature of the instrument, the sunset</p>
------	---	---

	<p>clause should be activated by the end of 2022. Therefore, delete this paragraph.</p> <p>DK: (Drafting):</p> <p>2. For a period starting after 31 December 2022 until 31 December 2024, w2. For a period starting after 31 December 2022 until 31 December 2024, whereWhere financial resources are available, the Commission may organise calls <u>to receive financial assistance</u> in line with the calendar of the European Semester. To that effect, it shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the amount <u>of financial assistance</u> available for allocation. Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to implement the recovery and resilience plan.</p> <p>DK: (Comments):</p> <p><u>Support a temporary Facility.</u></p> <p><u>Temporary nature should be better ensured, i.e. a clear sunset clause should be introduced. It should be activated by the end of 2022. No financial assistance should be committed from 2023.</u></p> <p><u>Note that this R&R Facility should be a one off not to be repeated.</u></p> <p>ES: (Comments):</p> <p>No drafting suggestion, we just wanted to request further details on these calls, their periodicity timing and interlinks with the European semester.</p> <p>BG: (Drafting):</p> <p>2. For a period starting after 31 December 2022⁴ until 31 December 2024⁷, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. To that effect, it</p>
--	--

		<p>shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the amount available for allocation. Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to implement the recovery and resilience plan.</p> <p>BG: (Comments):</p> <p>The period for commitments should be extended given the tight timeframe of the whole instrument. The the national recovery and resilience plans will need a careful preparation as they will include long-term reforms and public investments, thus, we insist on changing the deadlines for commitments.</p> <p>SE: (Drafting):</p> <p>For a period starting after 31 December 2022 until 31 December 2024, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. To that effect, it shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the amount available for allocation. Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to implement the recovery and resilience plan.</p> <p>SE: (Comments):</p> <p>Commitments should only be made until 31 December 2022 to strengthen the crisis focus of the facility.</p> <p>AT: (Drafting):</p> <p>2. For a period starting after 31 December 2022 until 31 December 2024, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. To that effect, it shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the</p>
--	--	--

		<p>amount available for allocation. Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to implement the recovery and resilience plan.</p> <p>AT: (Comments):</p> <p>Austria's position is that the Facility should expire on 31 December 2022.</p> <p>CZ: (Drafting):</p> <p>“2. For a period starting after 31 December 2022–2024 until 31 December 2024–2027, where financial resources are available, the Commission may...”</p> <p>CZ: (Comments):</p> <p>CZ: Aligned with the line above. The overall commitment time limit for requests for financial support including competitive period should prolonged be till 2027 - the end of the MFF.</p> <p>RO: (Comments):</p> <p>This paragraph should be deleted if the amendment proposed at line 175 is accepted.</p> <p>EL: (Drafting):</p> <p>For a period starting after 31 December 2022 until 31 December 2024, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. To that effect, it shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the amount available for allocation. Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to</p>
--	--	---

	<p>implement the recovery and resilience plan.</p> <p>EL: (Comments):</p> <p>This paragraph implies competitive calls after 31 December 2022 for the financial resources that will still be available. Taking into account the size of the RRF and the short time interval until end 2022, this provision could lead to significant redistributions among member states, perhaps to the extent of negating the objectives to strengthen resilience, promote cohesion and avert the possibility of widening divergences. We would like to note that although a similar arrangement was part of the Regulation on the BICC, the competitive calls would start only after 48 or 60 months after the commencement of the instrument's operation. At the same time, the envelope for the BICC was considerably smaller. This means that the inclusion in the current Regulation of similar arrangements about a competitive phase after 2022 implies a significantly smaller period of the non-competitive phase for the absorption of a considerably larger amount of resources. We would therefore suggest deleting the second paragraph of Article 11 and changing the deadline to 31 December 2024 in the first paragraph.</p> <p>IT: (Drafting):</p> <p>2. For a period starting after 31 December 2022 until 31 December 2024, where financial resources are available, the Commission may organise calls in line with the calendar of the European Semester. To that effect, it shall publish an indicative calendar of the calls to be organised in that period, and shall indicate, at each call, the amount available for allocation. Requests by Member States to whom their maximum financial contribution by 31 December 2022 have not been allocated, shall be considered with priority until they receive their maximum financial contribution as referred to in Article 11 (1) . For the remaining amount, Each Member State may propose to receive up to a maximum amount corresponding to its allocation share of the available amount for allocation, as referred to in Annex I, to implement the recovery and resilience plan.</p> <p>IT: (Comments):</p>
--	--

		<i>Ensure that, in line with the objectives of the Regulation, the allocation follows the criteria of equal treatment and solidarity by ensuring to all Member states access to their maximum financial allocation provided the corresponding projects are presented . That before some MS may receive an amount above their maximum financial contribution.</i>
178.		<p>FI:(Drafting):</p> <p><u>NEW Article 11a</u> <u>National co-financing</u></p> <p><u>1. Member States shall bear a co-financing of X percent of the amount of the estimated total costs of the plan referred to in Article 15(3)(f).</u></p> <p>FI: (Comments):</p> <p><u>Co-financing could be a way ahead to ensure stronger national ownership and incentives for most cost-efficient reform and investment plans.</u> Loans could be used for the co-financing.</p>
179.	Article 12 Loans	<p>DK: (Comments):</p> <p><u>Commission proposal generally gives priority to grants (financial contributions) when covering the costs of the R&R plans.</u></p> <p><u>Loan covers only what cannot be covered by financial contributions (the residual). Much stronger role should generally be given to loans.</u></p> <p><u>A key reason for the grant part of the proposal is understood to be that this would then not contribute to Member States debt levels (which could then become unsustainable).</u></p>

		<p><u>There should be a debt sustainability analysis (by the Commission) before deciding on whether grants or loans would be the most appropriate form of financial assistance to a Member State. This would be in line with financial assistance from the ESM and IMF.</u></p> <p><u>If a Member States debt can be confirmed to still be sustainable (after receiving a loan) a loan would be the most appropriate form of financial assistance (instead of grants).</u></p>
180.		
181.	<p>1. [Until 31 December 2024], upon request from a Member State, the Commission may grant to the Member State concerned a loan support for the implementation of its recovery and resilience plans.</p>	<p>DK: (Drafting):</p> <p>1. [Until 31 December 20242022], upon request from a Member State, the Commission may grant to the Member State concerned a loan support for the implementation of its recovery and resilience plans.</p> <p>DK: (Comments):</p> <p><u>We suggest a sunset clause expiring by the end of 2022. No financial assistance should be committed from 2023.</u></p> <p>IT: (Comments):</p> <p><i>Not clear why this date should be in brackets.</i></p>
182.		
183.	<p>2. A Member State may request a loan at the same time of the submission of a recovery and resilience plan referred to in Article</p>	<p>DK: (Drafting):</p> <p>2. A Member State mayshall request a loan at the same time of the submission of a recovery and resilience plan referred to in Article 15, or at a different moment in time until [31 August 2024]. In the latter case, the request shall be accompanied by a revised plan, including additional milestones and targets.<u>until [31 August</u></p>

	15, or at a different moment in time until [31 August 2024]. In the latter case, the request shall be accompanied by a revised plan, including additional milestones and targets.	<p><u>2022</u>.</p> <p>DK: (Comments):</p> <p><u>We suggest a sunset clause expiring by the end of 2022. No financial assistance should be committed from 2023.</u></p> <p>SE: (Drafting):</p> <p>A Member State mayshall request a loan at the same time of the submission of a recovery and resilience plan referred to in Article 15, or at a different moment in time until [31 August 2024]. In the latter case, the request shall be accompanied by a revised plan, including additional milestones and targets.</p> <p>SE: (Comments):</p> <p>Sweden only support providing loans under the facility. This is relevant for the whole article.</p> <p>IT: (Comments):</p> <p><i>Not clear why this date should be in brackets.</i></p>
184.		
185.	3. The request for a loan by a Member State shall set out:	
186.		
187.	(a) the reasons for the loan support, justified by the higher	<p>LU: (Drafting):</p> <p>the reasons for the loan support, justified by the higher financial needs linked to additional proposed reforms and</p>

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

	financial needs linked to additional reforms and investments;	<p>investments;</p> <p>LU: (Comments):</p> <p>It should be made clear that the need to submit “additional” reform proposals only pertains to the case where a MS submits a loan request after it has already submitted its RRP, as per paragraph (2) and where the cost of the initial RRP was entirely covered by the grant allocation.</p> <p>In case both are submitted at the same time, the loan support is simply intended to cover the costs of the proposals contained in the RRP exceeding the MS’ grant allocation. Hence, the higher financial needs in that case could be related to higher costs of existing proposals and not be the result of “additional reforms and investments”.</p>
188.		
189.	(b) the additional reforms and investments in line with Article 15;	
190.		
191.	(c) the higher cost of the recovery and resilience plan concerned compared to the amount of the maximum financial contribution referred to in Article 10, or to the financial contribution allocated to the recovery and resilience plan on the basis of	<p>NL: (Drafting):</p> <p>(c) the higher cost of the recovery and resilience plan investment plan concerned compared to the amount of the maximum financial contribution referred to in Article 10, or to the financial contribution allocated to the recovery and resilience plan investment plan on the basis of Article 17(3)(b).</p> <p>NL: (Comments):</p> <p>We believe the cost will be mostly stem from the investments made, not the reforms.</p>

	Article 17(3)(b).	<p>EL: (Drafting):</p> <p>(c) the higher cost of the recovery and resilience plan concerned compared to the amount of the maximum financial contribution referred to in Article 10, or to the financial contribution allocated to the recovery and resilience plan on the basis of Article 17(3)(b).</p> <p>EL: (Comments):</p> <p>The second part of the sentence does not seem to be correct. The revised plan may have a cost higher than the financial contribution allocated to the recovery and resilience plan but still equal to or lower than the maximum financial contribution. In this case, there would be no need for a loan request, since the revised plan could simply request the part of the maximum financial contribution that had not been allocated initially. Requests for loans would be submitted only if the maximum financial contribution were to be surpassed.</p>
192.		
193.	<p>4. The loan support to the recovery and resilience plan of the Member State concerned shall not be higher than the difference between the total cost of the recovery and resilience plan, as revised where relevant, and the maximum financial contribution referred to in Article 10. The maximum volume of the loan for each Member State shall not exceed</p>	<p>FI: (Comments):</p> <p><u>We believe</u> that the share of loans in the instrument should be increased.</p> <p><u>Why would the loan cover only the residual amount of the difference between the total plan and financial contribution? This would also strengthen the national ownership.</u></p> <p><u>What is the reasoning behind the threshold of 4.7% of the GNI?</u></p> <p>DK: (Comments):</p> <p><u>What is the reasoning behind the threshold of the size of loans of 4.7 percent of Gross National Income?</u></p>

	[4.7% of its Gross National Income].	<p>NL: (Drafting):</p> <p>4. The loan support to the recovery and resilience plan of the Member State concerned shall not be higher than the difference between the total cost of the recovery and resilience plan investment plan, as revised where relevant, and the maximum financial contribution referred to in Article 10. The maximum volume of the loan for each Member State shall not exceed [4.7% of its Gross National Income].</p> <p>NL: (Comments):</p> <p>See comment in line 191.</p>
194.		
195.	5. By derogation from paragraph 4, subject to availability of resources, in exceptional circumstances the amount of the loan support may be increased.	<p>LU: (Comments):</p> <p>The term“exceptional circumstances” should be clarified here.</p> <p>5. By derogation from paragraph 4, subject to availability of resources, in exceptional circumstances the amount of the loan support may be increased, but should in no case exceed the difference between the total cost of the recovery and resilience plan and the maximum financial contribution.</p> <p>FI: (Comments):</p> <p><u>Does this refer to the last sentence of paragraph 4?</u></p> <p>The loan support should not <u>exceed the difference between the total cost of the recovery and resilience plan and the maximum financial contribution.</u></p> <p>SE: (Drafting):</p>

		<p><u>Put in square brackets.</u></p> <p>SE: (Comments):</p> <p>We wonder what the reasons for a financing of more than 100% of the costs for the plan could be?</p> <p>CZ: (Comments):</p> <p>CZ: We ask for further information on the Commission's methodology for determining the parameters of loans for Member States, especially the specification of criteria for granting a loan in exceptional circumstances while exceeding the maximum volume of the loan for Member State concerned (provided in para 4).</p> <p>RO: (Comments):</p> <p>We should define these exceptional circumstances.</p> <p>MT: (Comments):</p> <p>An explanation of what is implied by “exceptional circumstances” would be appropriate, particularly since the scope of the proposal in general is considered to be a response to the current exceptional and extraordinary situation. Would this be the same as the definition used in BICC?</p>
196.		
197.	6. The loan support shall be disbursed in instalments subject to the fulfilment of milestones and targets in line with Article 17(4)(g).	

198.		
199.	7. The Commission shall take a decision on the request for a loan support in accordance with Article 17. Where appropriate, the recovery and resilience plan shall be amended accordingly.	NL: (Drafting): 7. The Commission shall take a decision on the request for a loan support in accordance with Article 17. Where appropriate, the recovery and resilience plan <u>reform plan and investment plan</u> shall be amended accordingly.
200.		
201.	Article 13 Loan agreement	DK: (Comments): <u>Commission proposal generally gives priority to financial contributions when covering the costs of the R&R plans.</u> <u>Loan covers only what cannot be covered by financial contributions (the residual). Much stronger role should generally be given to loans.</u> <u>See suggestions below.</u>
202.		
203.	1. Prior to entering into a loan agreement with the Member State	

	concerned, the Commission shall assess whether :	
204.		
205.	(a) the justification for requesting the loan and its amount is considered reasonable and plausible in relation to the additional reforms and investments; and	<p>LU: (Drafting):</p> <p>(a) the justification for requesting the loan and its amount is considered reasonable and plausible in relation to the additional proposed reforms and investments; and</p> <p>LU: (Comments):</p> <p>Please refer to our comment in line 187.</p>
206.		
207.	(b) the additional reforms and investments comply with the criteria set out in Article 16(3).	<p>LU: (Drafting):</p> <p>(b) the additional proposed reforms and investments comply with the criteria set out in Article 16(3).</p> <p>LU: (Comments):</p> <p>Please refer to our comment in line 187. Missing bracket.</p>
208.		<p>DK: (Drafting):</p> <p><u>(c) the plan contains measures that effectively contribute to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability.</u></p>

		<p>DK: (Comments):</p> <p><u>Making an analysis of the sustainability of public finances before providing financial assistance would be sound financial management.</u></p> <p>SE: (Drafting):</p> <p><u>(c) the plan contains measures that effectively contribute to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability</u></p> <p>SE: (Comments):</p> <p>Making an analysis of the sustainability of public finances before providing a loan is part of sound financial management.</p> <p>BE: (Drafting):</p> <p>c) the requested loan is intended to fund environmentally harmful activities, thus supervise whether the principle of no harm is respected</p>
209.	2. Where the request for a loan fulfils the criteria referred to in paragraph 1, and upon adoption of the decision referred to in Article 17(2), the Commission shall enter into a loan agreement with the Member State concerned. The loan agreement, in addition to the	

	elements laid down in Article 220(5) of the Financial Regulation, shall contain the following elements:	
210.		
211.	(a) the amount of the loan in euro;	
212.		
213.	(b) the average maturity; Article 220(2) of the Financial Regulation shall not apply with regard to this maturity;	<p>FI: (Drafting):</p> <p>(b) the average maturity; Article 220(2) of the Financial Regulation shall not apply with regard to this maturity;</p> <p>FI: (Comments):</p> <p><u>The loan arrangements should not diverge from the principle set out in Article 220(2) of the Financial Regulation. Thus the loans would be back-to-back.</u></p> <p>DK: (Comments):</p> <p><u>What will be the average maturity of loans?</u></p> <p>SE: (Drafting):</p> <p>(b) the average maturity; Article 220(2) of the Financial Regulation shall not apply with regard to this maturity; <u>The maturity shall normally not exceed 10 years; in exceptional cases it may be extended to [XX]</u></p>

		<p><u>years.</u></p> <p>SE: (Comments):</p> <p><u>Sweden wants a shorter pay-back time for the EU borrowing and the loan maturities should be adapted accordingly.</u></p> <p>IT: (Comments):</p> <p>Italy supports the derogation to art.220 of the Financial Regulation as it is an important feature of the necessary flexibility of the Commsision in the market to deal with several loans requests at the same time.</p>
214.		
215.	(c) the pricing formula, and the availability period of the loan;	<p>FI: (Comments):</p> <p><u>To our understanging pricing according to union borrowing costs plus any other costs from these activities to be borne by the beneficiary MS</u></p> <p>DK: (Comments):</p> <p><u>Is an interest rate margin foreseen?</u></p> <p>ES: (Comments):</p> <p>If maturities of loans can be different from maturities of the Commission's issuances, how would the pricing formula be determined?</p>
216.		SE: (Drafting):

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

		<u>(c1) Penalty rates in case of late payments</u>
217.	(d) the maximum number of instalments and the repayment schedule;	
218.		
219.	(e) the other elements needed for the implementation of the loan support in relation to the reforms and the investment projects concerned in line with the decision referred to in Article 17(2).	
220.		
221.	3. In accordance with Article 220(5)(e) of the Financial Regulation, costs related to the borrowing of funds for the loans referred to in this Article shall be borne by the beneficiary Member States.	<p>SE: (Drafting):</p> <p>In accordance with Article 220(5)(e) of the Financial Regulation, costs related to the borrowing of funds <u>and the administrative costs</u> for the loans referred to in this Article shall be borne by the beneficiary Member States.</p> <p>SE: (Comments):</p> <p>To ensure budgetary discipline both borrowing costs and administrative costs should be borne by the beneficiary MS.</p>
222.		

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

223.	4. The Commission shall establish the necessary arrangements for the administration of the lending operations related to loans granted in accordance with this Article.	
224.		
225.	5. A Member State benefitting from a loan granted in accordance with this Article shall open a dedicated account for the management of the loan received. It shall also transfer the principal and the interest due under any related loan to an account indicated by the Commission in line with the arrangements put in place in accordance with the previous paragraph twenty TARGET2 business days prior to the corresponding due date.	<p>ES: (Comments):</p> <p>Request for clarification: does the Member State need to transfer the principal and interest 20 days prior to the due date of the loan agreement between the Commission and the Member State, or does this mean that the due date in this loan agreement will be 20 days before the due date of the loan undertaken by the Commission (in the market) to fund the loan to the Member State?</p> <p>RO: (Comments):</p> <p>How the Commission will manage the loans, taking into consideration that ECB was not implied in the process?</p>
226.		
227.	CHAPTER III	

228.		
229.	Recovery and resilience plans	
230.		
231.	Article 14 Eligibility	<p>MT: (Comments):</p> <p>We feel that the concept of retroactive eligibility should be taken into consideration, thus allowing Member States sufficient flexibility to include proposals for reforms that would have already taken place.</p>
232.		
233.	<p>1. In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years. Recovery and resilience plans eligible for financing under this instrument shall comprise measures for the implementation of reforms and public investment projects through a coherent package.</p>	<p>PL: (Drafting):</p> <p>In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years.</p> <p>Recovery and resilience plans eligible for financing under this instrument shall comprise measures for the implementation of reforms, public purpose investment projects through a coherent package.</p> <p>PL: (Comments):</p> <p>The proposed four years period is inconsistent with the article 15.3 d) stating that investments may be carried out for seven years. In order to avoid misunderstanding it is advisable to delete this part of the sentence.</p> <p>Moreover, ‘public investment’ shall be replaced by the ‘public purpose investment’. This makes the definition of an investment to be supported more precise and ensures that the recovery and resilience plan comprises</p>

	<p>investment conducted by the private sector entity fulfilling public service mission.</p> <p>LU: (Drafting):</p> <p>In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years. Recovery and resilience plans eligible for financing under this instrument shall comprise measures for the implementation of reforms and public-investment projects through a coherent package.</p> <p>LU: (Comments):</p> <ul style="list-style-type: none"> - implementation of reforms and public-investment: aligning the sentence with the language applied throughout the regulation. - Assessing the coherence of reforms and investment can be challenging. We would have a preference to disentangle reforms and investments and base their assessment on tangible criteria and benchmarks that could constitute an objective reference framework. One could foresee an ex-ante distribution of the funds under the Facility between reforms and investments. <p>FI: (Drafting):</p> <p>1. In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years. Recovery and resilience plans eligible for financing under this instrument shall comprise measures for the implementation of reforms and public investment projects through a coherent package. <u>Ambitious reforms shall be an essential element in all recovery and resilience plans.</u></p> <p>FI: (Comments):</p>
--	---

	<p><u>We would like to emphasise the role of reforms as they are key in enhancing economic resilience and long-run sustainable growth.</u></p> <p>PT: (Drafting):</p> <p>In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years. Recovery and resilience plans eligible for financing under this instrument shall comprise measures for the implementation of reforms and public investment projects through a coherent package.</p> <p>DK: (Comments):</p> <p><u>Generally support the proposed approach, as it promotes strong national ownership.</u></p> <p>ES: (Drafting):</p> <p>1. In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years. Recovery and resilience plans eligible for financing under this instrument shall, <u>as a rule</u>, comprise measures for the implementation of reforms and public investment projects through a coherent package.</p> <p>ES: (Comments):</p> <p>What is the rationale behind the inclusion of a reference to the agenda of the Member State concerned for the subsequent <u>four years</u>? (i.e. Does the reference to ‘four years’ relate to the period of loan requests, of reform implementation or other reasons?)</p> <p>SK: (Drafting):</p>
--	--

		<p>1. In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years. Recovery and resilience plans eligible for financing under this instrument shall comprise measures for the implementation of reforms and public investment projects through a coherent package <u>including eligible reforms already under the implementation process.</u></p> <p>SE: (Drafting):</p> <p>In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years. Recovery and resilience plans eligible for financing under this instrument shall comprise measures for the implementation of reforms and public investment projects through a coherent package.</p> <p><u>Ambitious reforms must be a substantial part of all plans.</u></p> <p>SE: (Comments):</p> <p>There should be a requirement that ambitious reforms are part of all plans in order to contribute to MS being better prepared for an economic shock in the future</p> <p>NL: (Drafting):</p> <p>In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans <u>reform plans and investment plans</u>. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years. Recovery and resilience plans <u>Reform plans and investment plans</u> eligible for financing under this instrument shall comprise measures for the implementation of reforms and public investment projects through a coherent package.</p>
--	--	---

		<p>NL: (Comments):</p> <p>This guarantees that all provisions on the content of plans, the criteria for their assessment, and the disbursement of payments applies to both investments and reforms separately. This is necessary, as the Commission's proposal does not make clear what the balance of investment and reform will be; member states could comply by mostly investing with just some minimal reform. In our view, good reform plans and their successful implementation should be a separate condition in order to receive funds for investment.</p> <p>We do not see the need of the plan to be coherent in the sense of reform and investment taking place in the same policy area. The necessity of reform for the sake of long-term growth goes beyond a supportive role for investment, and vice versa. For example: it should be possible to combine reform of the judicial system or labour markets (if prescribed by CSR's) with investment in digital infrastructure or research capacity, even though they are not thematically linked.</p> <p>LV: (Drafting):</p> <p><u>In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent seven years. Recovery and resilience plans eligible for financing under this instrument shall comprise measures for the implementation of reforms and public investment projects through a coherent package.</u></p> <p>LV: (Comments):</p> <p><u>The RRP should encompass all seven years of the investment period.</u></p> <p>CZ: (Drafting):</p> <p>"1. In pursuance of the objectives set out in Article 4, Member States shall prepare national recovery and</p>
--	--	--

		<p>resilience plans. These plans shall set out the reform and investment agenda of the Member State concerned in principle for the subsequent four years...”</p> <p>CZ: (Comments):</p> <p>CZ: For the effective use of support from the RRF, we generally seek a high degree of flexibility and ownership of the Member States.</p> <p>FR: (Drafting):</p> <p>“(...)These plans shall set out the reform and investment agenda of the Member State concerned for the subsequent four years <u>for the years 2020 to [2024]</u>”</p> <p>FR: (Comments):</p> <p><i>FR: Commitment appropriations corresponding to 2020 recovery expenditures must be deemed eligible by the Commission and Member States should be allowed to include them in their national plans. Retroactive eligibility will create proper incentives for Member States to design as of now their recovery measures in a way that is consistent with the criteria of the Facility. If only expenditures enacted from 2021 onwards are eligible, we run the risk of seeing Member States put off the enactment of critical measures, which will be detrimental to the swift materialisation of recovery in Europe. The eligibility of 2020 expenditures would also increase the link between the Facility and the crisis, hereby strengthening the legal architecture of the programme.</i></p> <p><i>Considering the duration of the plans, a shorter period of time could also be envisaged.</i></p>
234.		
235.	2. The recovery and resilience plans shall be consistent with the	<p>FI: (Drafting):</p> <p>2. The recovery and resilience plans shall be consistent with the relevant country-specific challenges and</p>

	<p>relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those relevant for or resulting from the green and digital transition. The recovery and resilience plans shall also be consistent with the information included by the Member States in the national reform programmes under the European Semester, in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999¹⁷, in the territorial just transition plans under the Just Transition Fund¹⁸, and in the partnership agreements and operational programmes under</p>	<p>priorities identified in the context of the European Semester, in particular those relevant for or resulting from the green and digital transition. The recovery and resilience plans shall also be consistent with the information included by the Member States in the national reform programmes under the European Semester, in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999¹⁹, in the territorial just transition plans under the Just Transition Fund²⁰, and in the partnership agreements and operational programmes under the Union funds.</p> <p>Actions under the Recovery and Resilience Facility shall do no harm to EU climate and environment goals.</p> <p>FI: (Comments):</p> <p>It's important to emphasise those reforms that we follow "do no harm" principle.</p> <p>PT: (Drafting):</p> <p>The recovery and resilience plans shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those relevant for or resulting from the green and digital transition, as well as in other relevant documents officially adopted by the Commission in the European Semester. The recovery and resilience plans shall also be consistent with the information included by the Member States in the national reform programmes under the European Semester, in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999²¹, in the territorial just transition plans</p>
--	---	--

¹⁷ Regulation (EU)2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.
¹⁸ [...]
¹⁹ Regulation (EU)2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.
²⁰ [...]
²¹ Regulation (EU)2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.

	<p>the Union funds.</p>	<p>under the Just Transition Fund²², in the Common Agricultural Policy Strategic Plans, and in the partnership agreements and operational programmes under the Union funds.</p> <p>PT: (Comments):</p> <p>This is the same language used in article 16 to guide the Commission's assessment. For the sake of coherence and transparency it should be openly referred here.</p> <p>Moreover, a reference should also be included to the Common Agricultural Policy Strategic Plans. These plans, to be drawn at national level, must be in line with 9 policy parameters of the CAP, which cover economic, social and environmental objectives. As such, they are fully in line with the broad objectives of the RRF.</p> <p>LT: (Comments):</p> <p>The recovery and resilience plans shall include opportunity to fund on-going reforms as well, as fundamental reforms like in social, education or healthcare sectors can take longer time and are implemented in stages.</p> <p>Therefore, LT suggests to include requirement that recovery and resilience plans shall be consistent with on-going structural reforms.</p> <p>DK: (Drafting):</p> <p>2. The recovery and resilience plans shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those relevant for or resulting from the green and digital transition. The recovery and resilience plans shall also be consistent with the <u>recommendations and decisions adopted within the Stability and Growth Pact, with the</u> information included by the Member</p>
--	-------------------------	--

²²

[...]

		<p>States in the national reform programmes under the European Semester, in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999²³, in the territorial just transition plans under the Just Transition Fund²⁴, and in the partnership agreements and operational programmes under the Union funds.</p> <p>DK: (Comments):</p> <p><u>Support emphasis in R&R plans on green and digital transition and strong link to European Semester and national energy and climate plans. We should make these priorities operational in line with the EU's climate targets.</u></p> <p>ES: (Comments):</p> <ul style="list-style-type: none"> - The overall objective of the Recovery & Resilience Plans is to quickly help jumpstarting our economies from this crisis, and doing it in a way that advances the digital & green transitions. So, all assessment of the Plans should be viewed through these lenses. - In this vein, the proposed criteria for eligibility and assessment criteria concerning the recovery and resilience facility are considered sufficient, as it is the link to the European Semester. - From the start Spain has welcomed the link of the package to the European Semester. The Recovery and Resilience Plans are the cornerstone of the proposal. Spain's government is already working on its plan of reforms and investments. - We should refrain from trying to specify more the link to the CSRs in the Regulation since that can, among other things, alter the legal nature of the CSRs, which are recommendations. For Spain, the link to the European Semester and, in particular, the CSR is valid to the extend that the CSR relate to aspects
--	--	---

²³ Regulation (EU)2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.
²⁴ [...]

		<p>contemplated in the Plan.</p> <ul style="list-style-type: none"> - Ultimately, the key is to strikes a good balance between ensuring the recovery and resilience plans are closely aligned with the policy guidance provided under the European Semester, but also preserving the national ownership that is required to ensure that the plans are implemented in a timely manner. <p>SK: (Drafting):</p> <p>2. The recovery and resilience plans shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those relevant for or resulting from the green and digital transition <u>and supporting resilience of Member States</u>.</p> <p>SE: (Drafting):</p> <p>The recovery and resilience plans shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those relevant for or resulting from the green and digital transition. The recovery and resilience plans shall also be consistent <u>with the recommendations and decisions adopted in the context of the Stability and Growth Pact,</u> with the information included by the Member States in the national reform programmes under the European Semester, in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999 ²⁵, in the territorial just transition plans under the Just Transition Fund²⁶, and in the partnership agreements and operational programmes under the Union funds.</p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an</p>
--	--	--

²⁵ Regulation (EU)2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.

²⁶ [...]

	<p>economic shock in the future and therefore the importance of recommendations and decisions within the SGP.</p> <p>NL: (Drafting):</p> <p>The recovery and resilience plans <u>reform plans and investment plans</u> shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those <u>related to the Stability and Growth Pact, the Macroeconomic Imbalance Procedure, and those</u> relevant for or resulting from the green and digital transition. The recovery and resilience plans <u>reform plans and investment plans</u> shall also be consistent with the information included by the Member States in the national reform programmes under the European Semester, in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999 ²⁷, in the territorial just transition plans under the Just Transition Fund²⁸, and in the partnership agreements and operational programmes under the Union funds.</p> <p>NL: (Comments):</p> <p>SGP and MIP compliance is key to improving resilience and adjustment capacity; addressing these challenges should therefore be compulsory.</p> <p>LV: (Comments):</p> <p><u>It should be made possible to incorporate the RRF in the partnership agreements and to submit it as a single document.</u></p> <p>AT: (Drafting):</p> <p>2. The recovery and resilience plans shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those related to the Stability and</p>
--	--

²⁷ Regulation (EU)2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.
²⁸ [...]

		<p>Growth Pact, the Macroeconomic Imbalance Procedure, and those relevant for or resulting from the green and digital transition. The recovery and resilience plans shall also be consistent with the information included by the Member States in the national reform programmes under the European Semester, in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999 ²⁹, in the territorial just transition plans under the Just Transition Fund³⁰, and in the partnership agreements and operational programmes under the Union funds.</p> <p>AT: (Comments):</p> <p>SGP and MIP compliance is key to improving resilience and adjustment capacity; addressing these challenges should therefore be compulsory.</p> <p>IT: (Drafting):</p> <p>2. The recovery and resilience plans shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those relevant for or resulting from the green and digital transition. The recovery and resilience plans shall also be consistent with the Euro area recommendation and with the information included by the Member States in the national reform programmes under the European Semester, in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999 ²¹, in the territorial just transition plans under the Just Transition Fund²², and in the partnership agreements and operational programmes under the Union funds.</p> <p>FR: (Drafting):</p> <p>“The recovery and resilience plans shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, in particular those relevant for or resulting from the green and</p>
--	--	---

²⁹ Regulation (EU)2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.
³⁰ [...]

		<p>digital transition, <u>as well as those identified in the most recent Council recommendation on the economic policy of the euro area for Member States whose currency is the euro.</u>”</p> <p>“[...] in their national energy and climate plans and updates thereof under the Regulation (EU)2018/1999 ³¹, in the territorial just transition plans under the Just Transition Fund³², <u>in the Commission action plans foreseen in the Green Deal</u> [...]”</p> <p>FR: (Comments):</p> <p><i>FR: France supports including a reference to the Euro Area Recommendation since strong coordination of the recovery and hence of the national plans is warranted for countries sharing the same currency. The Commission proposal for a Euro Area Recommendation published in the autumn 2020 could furthermore include a dedicated chapter on the common priorities to be financed by the Facility. A discussion on the draft national plans could also be scheduled in November or December 2020.</i></p>
236.		<p>SE: (Drafting):</p> <p><u>New: The facility will contribute to the Union's climate objective for 2030 set out in Article 2(11) of Regulation (EU) No 2018/1999 and the objective of a climate-neutral Union economy by 2050. At least [25] % of funding from RRF will go to expenditures supporting climate objectives. In line with the Green Deal, reforms and investment funded by RRF should comply with the green oath to “do no harm”. The following activities can not be funded by RRF: [exclusion list from JTF including fossil fuels]. The contribution of the RRF to the climate spending target will be tracked by using the methodology in Annex 1 of the Regulation (EU)XX/XXX of the European Parliament and the Council [Common Provisions Regulation] as a basis.</u></p>

³¹ Regulation (EU)2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action.
³² [...]

		<p>SE: (Comments):</p> <p>This is to make recital 11 operational. It will be very difficult to obtain an overall climate target of at least [25 %] for MFF if RRF does not contain a goal.</p> <p>To ensure compliance with the green oath, the exclusion list from JTF (which among others contains financing of fossil fuels) should be included.</p>
237.	<p>3. Where a Member States is exempted from the monitoring and assessment of the European Semester on the basis of Article 12 of Regulation (EU) 472/2013, or is subject to surveillance under Council Regulation (EC) No 332/2002, the provisions set out in this regulation shall be applied to the Member State concerned in relation to the challenges and priorities identified by the measures set out under the regulations thereof.</p>	
238.		<p>FR: (Drafting):</p> <p><u>“4. The facility shall not support :</u></p> <p><u>(a) tobacco related products and activities (production, distribution, processing and trade);</u></p>

		<p><u>(b) investment related to the production, processing, distribution, storage or combustion of fossil fuels.</u></p> <p>FR: (Comments):</p> <p><i>FR: This clarification is necessary to ensure a proper implementation of the "do not harm" principle in the RRF Regulation. This proposal is based upon similar provisions in other regulations of the MFF 2021/2027 (Just Transition Fund and ERDF).</i></p>
239.	Article 15 Recovery and resilience plan	<p>NL: (Drafting):</p> <p>Article 15 Recovery and resilience plan <u>Reform plan and investment plan</u></p>
240.		
241.	1. A Member State wishing to receive support under the Facility shall submit to the Commission a recovery and resilience plan as defined in Article 14(1).	<p>NL: (Drafting):</p> <p>A Member State wishing to receive support under the Facility shall submit to the Commission a recovery and resilience plan <u>reform plan and an investment plan</u> as defined in Article 14(1).</p> <p>CZ: (Comments):</p> <p>CZ: We invite the Commission to present a template for a national recovery and resilience plan as soon as possible so that Member States can prepare plans in advance.</p>

242.		
243.	<p>2. The recovery and resilience plan presented by the Member State concerned shall constitute an annex to its National Reform Programme and shall be officially submitted at the latest by 30 April. A draft plan may be submitted by Member State starting from 15 October of the preceding year, together with the draft budget of the subsequent year.</p>	<p>PL: (Drafting):</p> <p>(...)</p> <p>A draft plan may be submitted by each Member State starting from 15 October of the preceding year. In case of euro-area Member States a draft plan should be submitted together with the draft budget of the subsequent year.</p> <p>PL: (Comments):</p> <p>It is worth to precise that submitting the draft budget in October is mandatory euro-area Member States only.</p> <p>HU: (Drafting):</p> <p>2. The recovery and resilience plan presented by the Member State concerned shall constitute an annex to its National Reform Programme and shall be officially submitted at the latest by 30 April. A draft plan may be submitted by all Member States starting from 15 October of the preceding year, together with the draft budget of the subsequent year, where applicable.</p> <p>HU: (Comments):</p> <p>In order to provide level playing field, non-eurozone MSs (who do not submit draft budgetary plans) must have the right of early submission as well.</p> <p>ES: (Comments):</p> <p>Align deadline for submission of draft plans with the content of recital (20).</p>

		<p>BG: (Comments):</p> <p>Non-euro area countries should also have the opportunity to submit a draft plan from 15 October of the preceding year.</p> <p>NL: (Drafting):</p> <p>The recovery and resilience plan <u>reform plan and investment plan</u> presented by the Member State concerned shall constitute an annex to its National Reform Programme and shall be officially submitted at the latest by 30 April. A draft plan may be submitted by Member State starting from 15 October of the preceding year, together with the draft budget of the subsequent year.</p> <p>LV: (Drafting):</p> <p><u>2. The recovery and resilience plan presented by the Member State concerned shall constitute an annex to its National Reform Programme and shall be officially submitted at the latest by 30 April. A draft plan may be submitted by Member State starting from 15 October of the preceding year, together with the draft budget of the subsequent year-or as an Annex to the Partnership Agreement.</u></p> <p>LV: (Comments):</p> <p><u>A much more flexible timeline is needed. It is also unclear, how the Commission will ensure a fast review and apotion process, if their services will have to work on 27 plans simutaniously. Member State should have an option to choose whether to align the RRP timeline with national reform programme or Partnership Agreement for cohesion funds timeline.</u></p> <p>CZ: (Drafting):</p> <p>“2. The recovery and resilience plan presented by the Member State concerned shall constitute an annex to its</p>
--	--	--

	<p>National Reform Programme and shall can be officially submitted at the latest by 30 April at any moment in time. In 2024 the recovery and resilience plan shall be officially submitted at the latest by 30 April. A draft plan may be submitted by Member State starting from 15 October of the preceding year, together with the draft budget of the subsequent year.”</p> <p>CZ: (Comments):</p> <p>CZ: The submission of the recovery and resilience plans should be more flexibility. It should be possible to submit them throughout the year – without strictly fixed date (and not necessary at the same time as the National Reform Programmes), e.g. due to the problems arising from the political instability and heterogeneity of the phases of the policy cycle (electoral term of office) across the Member States. However, the content of recovery and resilience plans should be coherent with the latest National Reform Programme. Submitting both documents at the same time may also place increased burden on the state administration.</p> <p>RO: (Drafting):</p> <p>The recovery and resilience plan presented by the Member State concerned shall constitute an annex to its National Reform Programme and shall be officially submitted at the latest by 30 April. A draft plan may be submitted by Member State starting from 15 October of the preceding year, together with the draft budget of the subsequent year. <i>The submission of the draft plans is also possible for the Non-Euro Area Member States.</i></p> <p>BE:</p> <p>(Drafting):</p> <p>2. The recovery and resilience plan presented by the Member State concerned shall constitute an annex to its National Reform Programme and shall be officially submitted at the latest by 30 April. A draft plan may be submitted by Member State starting from 15 October of the preceding year, together with the draft budget of</p>
--	--

		<p>the subsequent year.</p> <p>BE: (Comments):</p> <p>Additional requirement not warranted and even more not well defined (what does ‘draft budget’ mean? This concept is not defined). For Euro Area MS, this requirement is redundant with the one foreseen in the 2-pack legislation where the EA Member States have to submit a ‘draft budgetary plan’, what is not really the same as a ‘draft budget’.</p> <p>FR: (Drafting):</p> <p>“The recovery and resilience plan presented by the Member State concerned shall can constitute an annex to its National Reform Programme and shall be officially submitted, <u>in 2021, at the latest by 15 January or, for the years 2022 to [2024],</u> at the latest by 30 April.”</p>
244.		
245.	<p>3. The recovery and resilience plan shall be duly reasoned and substantiated. It shall in particular set out the following elements:</p>	<p>LU: (Comments):</p> <p>As a general comment, we would like to emphasize that the administrative burden on MS should not be too high.</p> <p>DK: (Comments):</p> <p><u>The framework must be specified more clearly.</u></p> <p>NL: (Drafting):</p> <p>The recovery and resilience plan reform plan and investment plan shall be duly reasoned and substantiated. It <u>They</u> shall in particular set out the following elements:</p>

246.		
247.	(a) an explanation of the way the relevant country-specific challenges and priorities identified in the context of the European Semester are expected to be addressed;	<p>PL: (Comments):</p> <p>We must change the sequence of the points (a) and (b). The recovery and resilience objectives are more important than the European Semester for the purpose of reasoning of this measure.</p> <p>LT: (Comments):</p> <p>We suggest to use European Semester(s) in it's plural form to expand the scope for analysis (at least from 2019) and create circumstances to foresee structural movement of MS internal economic, social, green, digital and etc. dynamic. Structural reforms are usually designed and generates benefits only in a longer run and their need does not born immediately.</p> <p>DK: (Drafting):</p> <p>(a) an explanation a verification of the way the relevant country-specific challenges and priorities identified in the context of the European Semester are expected to be addressed;</p> <p>LV: (Drafting):</p> <p>(a) an explanation of the way the relevant country-specific challenges and priorities identified in the context of the European Semester <u>and the national reform programme</u> are expected to be addressed</p>
248.		DK: (Drafting):

		<p><u>New: an explanation of how the plan is consistent with recommendations and decisions adopted within the Stability and Growth Pact and how the plan effectively contributes to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability;</u></p> <p>SE: (Drafting):</p> <p><u>New: an explanation of how the plan is consistent with recommendations and decisions adopted in the context of the Stability and Growth Pact and how the plan effectively contributes to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability;</u></p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future and therefore the importance of recommendations and decisions within the SGP.</p>
249.	(b) an explanation of how the plan strengthens the growth potential, job creation and economic and social resilience of the Member State concerned, mitigates the economic and social impact of the crisis, and its contribution to enhance economic, social and territorial cohesion and convergence;	<p>LU: (Drafting):</p> <p>an explanation of how the plan strengthens the growth potential, job creation and economic and social resilience of the Member State concerned, mitigates the economic and social impact of the crisis, sets the economy back on a sustainable recovery path, and its contribution to enhance economic, social and territorial cohesion and convergence;</p> <p>LU: (Comments):</p> <p>The plan should lay out as well how the measures contribute to get the economy back on a sustainable recovery path;</p>

	<p>DK: (Drafting):</p> <p>(b) an explanation <u>a verification</u> of how the plan strengthens the growth potential, job creation and economic and social resilience of the Member State concerned, mitigates the economic and social impact of the crisis, and its contribution to enhance economic, social and territorial cohesion and convergence; <u>, and to the achievement of sound medium-term budgetary positions allowing fiscal space to respond to adverse economic developments;</u></p> <p>DK: (Comments):</p> <p><u>-Objective criteria must be set out.</u></p> <p>SE: (Drafting):</p> <p>an explanation of how the plan strengthens the growth potential, job creation and economic and social resilience of the Member State concerned, mitigates the economic and social impact of the crisis, and its contribution to enhance economic, social and territorial cohesion and convergence <u>, and to the achievement of sound medium-term budgetary positions allowing room for budgetary manoeuvre;</u></p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future and therefore the importance of recommendations and decisions within the SGP.</p> <p>NL: (Drafting):</p> <p>(b) an explanation of how the plans strengthens the growth potential, job creation and economic and social resilience of the Member State concerned, mitigates the economic and social impact of the crisis, and its <u>their</u> contribution to enhance economic, social and territorial cohesion and convergence, <u>and to the achievement of</u></p>
--	---

		<p><u>sound medium-term budgetary positions which ensures the sustainability of public finances or a rapid progress towards such sustainability;</u></p> <p>LV: (Drafting):</p> <p><u>(b) an explanation of how the plan strengthens the growth potential, job creation and economic and social resilience of the Member State concerned, mitigates the economic and social impact of the crisis, and its contribution to enhance economic, social and territorial cohesion and convergence and to the green and the digital transitions;</u></p> <p>AT: (Drafting):</p> <p>(b) an explanation of how the plan strengthens the growth potential, job creation and economic and social resilience of the Member State concerned, mitigates the economic and social impact of the crisis, and its contribution to enhance economic, social and territorial cohesion and convergence, <u>and to the achievement of a sound medium-term budgetary position allowing room for budgetary manoeuvre;</u></p> <p>AT: (Comments):</p> <p>Member States should be better prepared for future crisis, sound budgetary positions are key for this.</p>
250.		
251.	(c) an explanation of how the measures in the plan are expected to contribute to the green and the digital transitions or to the	<p>DK: (Drafting):</p> <p>(c) an explanation of how the measures in the plan are expected to contribute <u>substantially</u> to the green and the <u>transition by a minimum of 25 percent as well as to the</u> digital transitions <u>transition</u> or to the challenges</p>

	<p>challenges resulting from them;</p>	<p>resulting from them;</p> <p>DK: (Comments):</p> <p><u>Green transition is key. We need a minimum target of at least 25 percent. Further, a no-harm principle must be introduced.</u></p> <p><u>R&R plans should contribute to both the green transition as well as to the digital transition.</u></p> <p>NL: (Drafting):</p> <p>(c) <u>for the investment plan,</u> an explanation of how the measures in the plan are expected to contribute to the green and the digital transitions or to the challenges resulting from them <u>it</u>;</p> <p>NL: (Comments):</p> <p>This provision only applies to the investment part. Moreover, we would like to split the green and digital transition, to ensure both conditions are always met.</p> <p>LV: (Drafting):</p> <p><u>(c) — an explanation of how the measures in the plan are expected to contribute to the green and the digital transitions or to the challenges resulting from them;</u></p> <p>AT: (Drafting):</p> <p>(c) an explanation of how the measures in the plan are expected to contribute to the green transition by at least 25% of the expected total cost and to the digital transitions or to the challenges resulting from them;</p> <p>AT: (Comments):</p>
--	--	---

		<p>We need a minimum target of 25% of the expenditures under the Facility for the Green Transition. Further, a no-harm principle must be introduced.</p> <p>RO: (Drafting):</p> <p>an explanation of how the measures in the plan are expected to contribute to the green and <i>or</i> the digital transitions or to the challenges resulting from them;</p>
252.		<p>SE: (Drafting):</p> <p><u>New 15.3 (c) bis:</u></p> <p><u>An assessment of how the measures in the plan are expected to impact women and men throughout the preparation, implementation, monitoring and evaluation. All data of individuals needs to be age and sex-disaggregated</u></p> <p>SE: (Comments):</p> <p>The plan needs to contain a gender analysis.</p> <p>NL: (Drafting):</p> <p><u>(ca) (NEW) for the investment plan, an explanation of how the measures in the plan are expected to contribute to the digital transition or to the challenges resulting from it;</u></p> <p>NL: (Comments):</p> <p>See comment in line 251.</p>
253.	(d) envisaged milestones,	<p>FI: (Drafting):</p>

	<p>targets and an indicative timetable for the implementation of the reforms over a maximum period of four years, and of the investments over a maximum period of seven years;</p>	<p>(d) envisaged milestones, targets and an indicative timetable for the implementation of the reforms over a maximum period of four years, and of the investments over a maximum period of sevenfour years ;</p> <p>FI: (Comments):</p> <p><u>The support by RRF should focus on the immediate crisis and therefore a shorter time period for their implementation should be envisaged.</u></p> <p>DK: (Drafting):</p> <p>(d) envisaged milestones, targets and an indicative timetable for the implementation of the reforms over a maximum period of fourtwo years, and of the investments over a maximum period of sevenfive years;</p> <p>SK: (Drafting):</p> <p>(d) envisaged milestones, targets and an indicative timetable for the implementation of the reforms over a maximum period of four years <u>including those already being implemented</u>, and of the investments over a maximum period of seven years;</p> <p>SE: (Drafting):</p> <p>envisaged milestones, targets and an indicative timetable for the implementation of the reforms over a maximum period of four years, and of the investments over a maximum period of sevenfour years;</p> <p>SE: (Comments):</p> <p>The activities supported by RRF should focus on the immediate crisis and therefore a shorter time period for their implementation. CLS has emphasized that measures must have a link to the crisis.</p>
--	--	--

		<p>CZ: (Drafting):</p> <p>“(d) envisaged milestones, targets and an indicative timetable for the implementation of the reforms in principle over a maximum period of four years, and of the investments in principle over a maximum period of seven years;”</p> <p>CZ: (Comments):</p> <p>CZ: We would prefer more flexible time horizon of structural reforms (fixed at 4 years) as well as public investment projects (fixed to 7 years) in order to use resources of the RRF efficiently.</p> <p>EL: (Drafting):</p> <p>(d) envisaged milestones, targets and an indicative timetable for the implementation of the reforms over a maximum period of four years, and of the investments over a maximum period of seven years; the implementation of reforms could also extend over a maximum period of seven years in cases where the implementation of investments is a necessary condition for the completion of reforms.</p> <p>EL: (Comments):</p> <p>Given the need for a coherent recovery and resilience plan, there will probably be cases where the full completion of some reform will be technically impossible without the prior implementation of one or more investment projects. In such cases, the different timelines foreseen in the text could restrict investments from supporting reform implementation. It could also mean that the inclusion difficult reforms in member states’ plans may be avoided to the extent that they would require significant investments to support them.</p>
254.		
255.	(e) the envisaged investment	NL: (Drafting):

	<p>projects, and the related investment period;</p> <p>(e) <u>for the investment plan,</u> the envisaged investment projects, and the related investment period</p> <p>LV: (Drafting):</p> <p><u>(e) the envisaged investment projects of the highest strategic importance, and the related investment period;</u></p> <p>LV: (Comments):</p> <p><u>It is unreasonable to expect that full extensive list of projects can be included in the plan. The focus in the plan should be on the projects with highest strategic importance. Also, the timeframe of implementation of specific projects is and operational issue and should be left outside of the plan.</u></p> <p>RO: (Comments):</p> <p>Please clarify if there is a lower limit of the investment projects to be submitted, as is the case for major projects under the cohesion funds.</p>
256.	<p>DK: (Drafting):</p> <p><u>New: a description of the plan's compatibility with the Single Market;</u></p> <p>DK: (Comments):</p> <p><u>Member States R&R plans should be compatible with the Single Market.</u></p> <p>SE: (Drafting):</p> <p><u>New: a description of the plan's compatibility with the single market;</u></p>

		<p>SE: (Comments):</p> <p>It should be made explicitly clear that the reforms and investments are compatible with the single market</p>
257.	<p>(f) the estimated total cost of the reforms and investments covered by the recovery and resilience plan submitted (also referred as ‘estimated total cost of the recovery and resilience plan’) backed up by appropriate justification and how it is commensurate to the expected impact on the economy and employment;</p>	<p>FI: (Drafting):</p> <p>(f) the estimated total cost of the reforms and investments covered by the recovery and resilience plan submitted (also referred as ‘estimated total cost of the recovery and resilience plan’) backed up by appropriate justification, including an assessment of cost-effectiveness, and how it is commensurate to the expected impact on the economy and employment;</p> <p>FI: (Comments):</p> <p><u>There should also be an assessment of the cost-effectiveness of the reform and investment plan. The criteria should encourage cost-efficiency.</u></p> <p>DK: (Drafting):</p> <p>(f) the estimated total <u>cost individual</u> cost of the reforms and investments covered by the recovery and resilience plan submitted (also referred as ‘estimated total cost of the recovery and resilience plan’) backed up by appropriate justification and how it is commensurate to the expected impact on the economy and employment;</p> <p>DK: (Comments):</p> <p><u>-Framework for calculation of costs of R&R plans needs to be specified.</u></p> <p><u>In order to achieve transparency and sound decisions regarding financial assistance it is important to be able to see the estimated cost for each reform and investment being part of an R&R plan.</u></p>

		<p>SE: (Drafting):</p> <p>the estimated total <u>and individual</u> cost of the reforms and investments covered by the recovery and resilience plan submitted (also referred as ‘estimated total cost of the recovery and resilience plan’) backed up by appropriate justification and how it is commensurate to the expected impact on the economy and employment;</p> <p>SE: (Comments):</p> <p>It is important to be able to see the estimated cost for each reform and investment to be able to assess the plan</p> <p>NL: (Drafting):</p> <p>(f) <u>for the investment plan</u>, the estimated total cost of the reforms and investments covered by the recovery and resilience plan <u>investment plan</u> submitted (also referred as ‘estimated total cost of the recovery and resilience plan <u>investment plan</u>’) backed up by appropriate justification and how it is commensurate to the expected impact on the economy and employment;</p> <p>NL: (Comments):</p> <p>Costs are mainly associated with investment. Most of the reforms will not create a cost.</p> <p>LV: (Comments):</p> <p><u>We suggest the Commission provides a clear guidance / template on breakdown the costs (by specific reforms, policy/ investment areas), on the justification of the costs and on their relation to the milestones and indicators.</u></p> <p>RO: (Drafting):</p> <p>the estimated total cost of the reforms and investments covered by the recovery and resilience plan submitted</p>
--	--	--

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

		<p>(also referred as ‘estimated total cost of the recovery and resilience plan’) backed up by with appropriate justification and how it is commensurate to the expected impact on the economy and employment;</p> <p>BE: (Drafting):</p> <p>(f) the estimated total cost of the reforms and investments covered by the recovery and resilience plan submitted (also referred as ‘estimated total cost of the recovery and resilience plan’) as well as an estimated cost for each project, backed up by appropriate justification and how it is commensurate to the expected impact on the economy and employment;</p> <p>BE: (Comments):</p> <p>The plans should contain detailed information on the costs of each reform project and each public investment project</p>
258.		
259.	(g) where relevant, information on existing or planned Union financing;	
260.		
261.	(h) the accompanying measures that may be needed;	
262.		
263.	(i) a justification of the	DK: (Drafting):

	<p>coherence of the recovery and resilience plan;</p>	<p>(i) a justification of the coherence of the recovery and resilience plan, <u>including a justification that recovery and resilience plans are aligned with the Charter of fundamental rights of the Union and the rule of law;</u></p> <p>DK: (Comments):</p> <p><u>-Recovery and resilience plans should be aligned with i) Fundamental rights of the Union, and ii) the rule of law.</u></p> <p>SE: (Drafting):</p> <p>a justification of the coherence of the recovery and resilience plan <u>including a justification that recovery and resilience plans are aligned with the Charter of fundamental rights of the Union and the rule of law;</u></p> <p>SE: (Comments):</p> <p>R&R plans should be aligned with the fundamental rights of the Union and the rule of law.</p> <p>NL: (Drafting):</p> <p>(i) — a justification of the coherence of the recovery and resilience plan</p> <p>NL: (Comments):</p> <p>We do not see the need of the plan to be coherent in the sense of reform and investment taking place in the same policy area. The necessity of reform for the sake of long-term growth goes beyond a supportive role for investment, and vice versa. For example: it should be possible to combine reform of the judicial system or labour markets (if prescribed by CSR's) with investment in digital infrastructure or research capacity, even though they are not thematically linked.</p>
--	---	--

264.		
265.	(j) the arrangements for the effective implementation of the recovery and resilience plan by the Member State concerned, including the proposed milestones and targets, and the related indicators;	<p>ES: (Comments):</p> <p>We understand that the Commission is already working on templates and Guidelines for the Recovery and Resilience Plan. It would be important that these documents are presented to Member States in July in order for Member States to be able to meet the 15 October deadline for the draft Recovery and Resilience Plans.</p> <p>Could you provide more clarity on the definition of ‘target’ and ‘milestone’?</p> <p>What is the degree of fulfillment of ‘milestones’ and ‘targets’ that will be considered sufficient in order to be eligible to receive disbursements and what would be the amount of the disbursement (as a percentage)?</p> <p>NL: (Drafting):</p> <p>(j) the arrangements for the effective implementation of the recovery and resilience plan <u>reform plan and the investment plan</u> by the Member State concerned, including the proposed milestones and targets, and the related indicators;</p>
266.		
267.	(k) where appropriate, the request for loan support and the additional milestones as referred to in Article 12(2) and (3) and the elements thereof ; and	
268.		

269.	(l) any other relevant information.	
270.		<p>DK: (Drafting):</p> <p><u>New: Any application or receiving of other forms of financial assistance, from the EU or elsewhere, relevant for financing costs in the plan.</u></p> <p>DK: (Comments):</p> <p><u>In order to avoid double financing.</u></p> <p>SE: (Drafting):</p> <p><u>New: Any application or receiving of other financing, from the EU or elsewhere, for costs in the plan.</u></p> <p>SE: (Comments):</p> <p>Must be possible to avoid double financing.</p>
271.	4. In the preparation of proposals for their recovery and resilience plan, Member States may request the Commission to organise an exchange of good practices in order to allow the requesting Member States to benefit from the experience of other Member States. Member States may also request	<p>LU: (Drafting):</p> <p>In the preparation of proposals for their recovery and resilience plan, Member States may request the Commission to organise an exchange of good practices in order to allow the requesting Member States to benefit from the experience of other Member States. Member States may also request technical support under the Technical Support Instrument in accordance with the regulation thereof. Horizontal exchanges of views with the participation of all MS should be organised on a regular basis.</p> <p>LU: (Comments):</p>

	technical support under the Technical Support Instrument in accordance with the regulation thereof.	<p>It is essential to have an exchange of views on best practices with the Commission. However, it should be ensured that the Council discusses horizontal issues and exchanges best practices with all MS on a regular basis.</p> <p>NL: (Drafting):</p> <p>4. In the preparation of proposals for their recovery and resilience plan <u>reform plan and investment plan</u>, Member States may request the Commission to organise an exchange of good practices in order to allow the requesting Member States to benefit from the experience of other Member States. Member States may also request technical support under the Technical Support Instrument in accordance with the regulation thereof.</p> <p>LV: (Comments):</p> <p><u>In order to ensure the capacity of the member-state authorities to develop thorough and substantiated recovery and resilience plans and to manage the delivery of results, technical assistance should be made available to the member-states (as a percentage of the estimated cost of the RRP).</u></p>
272.		
273.	Article 16 Commission assessment	<p>PL: (Comments):</p> <p>Annex II should be also subject to the written procedure as it is strictly linked with article 16.</p> <p>All criteria set out in Annex II should have equal weight. The text as it stands now gives the greatest importance to the criteria connected with the CSRs and green/digital transition. As set out in point 3 of the Annex II <i>Determination of the financial contribution under the budgetary instrument for recovery and resilience</i> the plan complies satisfactorily with the assessment criteria if the final rating includes scores of both A's in criteria 2.1 and 2.2.</p> <p>In this respect Poland would like to make an amendment to the Annex II so that the plan complies satisfactorily</p>

		<p>with all the assessment criteria if the final rating includes scores with majority of A's but not exclusively to the first and the second. This will be more in line with the article 4 "<i>General objective</i>".</p> <p>DK: (Comments):</p> <p><u>A clearer framework is needed. Must be clear what constitute a reform or an investment that would be approved by the Commission to receive financial assistance from the Facility.</u></p> <p>CZ: (Comments):</p> <p>CZ: The use of the Facility should be highly efficient without excessive administrative burden. We would therefore appreciate less strict criteria for the assessment of national recovery and resilience plans. This also implies their less strict and mechanical rating and more user-friendly rules on payments that are not based on "all or nothing principle" and that are not cost-based for the part concerning structural reforms.</p>
274.		
275.	<p>1. When assessing the recovery and resilience plan, the Commission shall act in close cooperation with the Member State concerned. The Commission may make observations or seek additional information. The Member State concerned shall provide the requested additional information and may revise the</p>	<p>LU: (Comments):</p> <p>The current proposal may place smaller MS at a disadvantage as they may only be able to submit their draft plan briefly before the official submission deadline on 30 April. There may thus not be much time for the MS concerned to revise the plan before its approval is entirely at the Commission's discretion thereby potentially increasing the risk of rejection.</p> <p>An additional period for requests of additional observations and exchange, as well as for revision, should be foreseen after official submission to tackle this problem.</p>

	plan if needed, prior to its official submission.	<p>NL: (Drafting):</p> <p>1. When assessing the recovery and resilience plan reform plan and the investment plan, the Commission shall act in close cooperation with the Member State concerned. The Commission may make observations or seek additional information. The Member State concerned shall provide the requested additional information and may revise the plans if needed, prior to its official submission.</p> <p>CZ: (Comments):</p> <p>CZ: The concrete role of the Commission in the assessment and its criteria rating should also be considered. We seek the involvement of the Council in the process of the plans' assessment. We agree with the connection of the Facility with the European Semester without overburdening it, but in this context it is necessary to respect the competencies of the Council and its relevant committees within the European Semester.</p> <p>The governance of the RRF should be based on the regular working procedures of the Council without distinguishing between euro area Member States and non-euro area Member States since the economic recovery and resilience is a matter of common interest to all EU members.</p>
276.		
277.	2. When assessing the recovery and resilience plan and in the determination of the amount to be allocated to the Member State concerned, the Commission shall take into account the analytical information on the Member State concerned available in the context	<p>DK: (Drafting):</p> <p>2. When assessing the recovery and resilience plan and in the determination of the amount to be allocated to the Member State concerned, the Commission shall take into account the analytical information on the Member State concerned available in the context of the European Semester, as well as the justification and the elements provided by the Member State concerned, as referred to in Article 15(3), and any other relevant information including, in particular, the one contained in the National Reform Programme and the National Energy and Climate Plan of the Member State concerned and, if relevant, information from technical support received via the</p>

	<p>of the European Semester as well as the justification and the elements provided by the Member State concerned, as referred to in Article 15(3), and any other relevant information including, in particular, the one contained in the National Reform Programme and the National Energy and Climate Plan of the Member State concerned and, if relevant, information from technical support received via the Technical Support Instrument.</p>	<p>Technical Support Instrument.</p> <p>SE: (Drafting):</p> <p>When assessing the recovery and resilience plan and in the determination of the amount to be allocated to the Member State concerned, the Commission shall take into account the analytical information on the Member State concerned available in the context of the European Semester <u>including with regard to recommendations and decisions within the Stability and Growth Pact</u>, as well as the justification and the elements provided by the Member State concerned, as referred to in Article 15(3), and any other relevant information including, in particular, the one contained in the National Reform Programme and the National Energy and Climate Plan of the Member State concerned and, if relevant, information from technical support received via the Technical Support Instrument.</p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future and therefore the importance of recommendations and decisions within the SGP.</p> <p>NL: (Drafting):</p> <p>2. When assessing the recovery and resilience plan <u>reform plan and the investment plan</u> and in the determination of the amount to be allocated to the Member State concerned, the Commission shall take into account the analytical information on the Member State concerned available in the context of the European Semester as well as the justification and the elements provided by the Member State concerned, as referred to in Article 15(3), and any other relevant information including, in particular, the one contained in the National Reform Programme and the National Energy and Climate Plan of the Member State concerned and, if relevant, information from technical support received via the Technical Support Instrument.</p>
--	---	--

278.		
279.	<p>3. The Commission shall assess the importance and coherence of the recovery and resilience plan and its contribution to the green and digital transitions, and for that purpose, shall take into account the following criteria:</p>	<p>LU: (Comments):</p> <p>We refer to our comment in line 233. We also wonder what “coherence” refers to in this context. Does it refer to coherence between reforms and investments or coherence between the RRP and other plans, such as the NRPs?</p> <p>DK: (Drafting):</p> <p>3. The Commission shall assess the importance and coherence of the recovery and resilience plan and its contribution to the green and digital transitions, <u>the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability</u>, and for that purpose, shall take into account the following criteria:</p> <p>SK: (Drafting):</p> <p>3. The Commission shall assess the importance and coherence of the recovery and resilience plan and its contribution to the green and digital transitions <u>and the resilience of the Member States</u>, and for that purpose, shall take into account the following criteria:</p> <p>SE: (Drafting):</p> <p>The Commission shall assess the importance and coherence of the recovery and resilience plan and its contribution to the green and digital transitions <u>, the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability</u>, and for that purpose, shall take into account the following criteria:</p> <p>SE: (Comments):</p>

		<p>Please note that these changes also applies to Annex II.</p> <p>NL: (Drafting):</p> <p>3. The Commission shall assess the importance and coherence of the recovery and resilience plan <u>reform plan and the investment plan</u> and its <u>their</u> contribution to the green and digital transitions, <u>and their contribution to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability</u> and for that purpose, shall take into account the following criteria:</p> <p>NL: (Comments):</p> <p>We do not support the need for coherence. See comment to article 15.3 (i) in line 263.</p> <p>FR: (Drafting):</p> <p><u>“Both green and digital transitions should be based on specific criteria leading to a separate assessment, in the view of assessing the recovery and resilience plans.</u> The Commission shall assess the importance and coherence of the recovery and resilience plan and its contribution to the green and digital transitions, and for that purpose, shall take into account the following criteria:”</p> <p>FR: (Comments):</p> <p><i>FR: Green and digital transitions should be assessed separately on their own merits.</i></p>
280.		

281.	<p>(a) whether the recovery and resilience plan is expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester;</p>	<p>PL: (Drafting):</p> <p>(a) whether the recovery and resilience plan is expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester;</p> <p>PL: (Comments):</p> <p>The scope of documents constituting a basis for reforms/investment directions should be broader as CSRs describe only a part of national challenges. The country reports should also be taken into account.</p> <p>LU: (Drafting):</p> <p>whether the recovery and resilience plan is expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned, or in other relevant documents officially adopted by the Commission or provided by the Member States in the European Semester;</p> <p>LU: (Comments):</p> <p>- to ensure that relevant documents published by the Member States in the context of the European Semester are also taken into account.</p> <p>DK: (Comments):</p> <p><u>The notion of relevant CSRs needs to be further specified.</u></p> <p>BG: (Drafting):</p>
------	---	---

	<p>(a) whether the recovery and resilience plan is expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester or in the analytical information on the Member State concerned elaborated by the Commission services in the context of the European Semester.</p> <p>BG: (Comments):</p> <p>We propose Country Reports to be also taken into account.</p> <p>SE: (Comments):</p> <p>The notion of relevant CSRs needs to be further specified.</p> <p>NL: (Drafting):</p> <p>(a) whether the recovery and resilience plan is <u>reform plan and investment plan are</u> expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned <u>in the current and previous two years</u> or in other relevant documents officially adopted by the Commission in the European Semester;</p> <p>NL: (Comments):</p> <p>The 2020 CSR's focus on tackling the socio-economic impacts of the pandemic and facilitating the economic recovery. The 2019 CSR's covered reforms that are essential to address medium- to long-term structural challenges, that remain pertinent. In order to make sure that the necessary reforms are made, this paragraph should make explicit that addressing CSR's from previous years is a pre-condition. Merely referring to "relevant CSR's" is too vague in this respect. The same applies to the reference to "other relevant documents", that blurs a</p>
--	---

		<p>common understanding of what member states have to comply with in their reform plans.</p> <p>LV: (Drafting):</p> <p><u>(a) whether the recovery and resilience plan is expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester and national reform programme adopted by Member State;, as well as the coherence of the plans with the partnership agreement and operational programmes;</u></p> <p>AT: (Drafting):</p> <p>(a) whether the recovery and resilience plan is expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester;</p> <p>(a.1) in case a member state is experiencing imbalances or excessive imbalances as concluded by the Commission after an in-depth review under Article 5 of Regulation (EU) No 1176/2011, whether the recovery and resilience plan is expected to address all these imbalances [in line with the relevant country-specific recommendations].</p> <p>(a.2) in case a member state is in a significant deviation procedure under the preventive arm or an excessive deficit procedure under the corrective arm of the Stability and Growth Pact, whether the recovery and resilience plan is expected to address all the country-specific recommendations stemming from the Stability and Growth Pact.</p> <p>AT: (Comments):</p> <p>Addition with a view to fulfilling the requirements under SGP/MIP</p>
--	--	---

		<p>CZ: (Drafting):</p> <p>“(a) whether the recovery and resilience plan is expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester or in the analytical information on the Member State concerned elaborated by the Commission services in the context of the European Semester;”</p> <p>CZ: (Comments):</p> <p>CZ: There should be a sufficient level of flexibility according to the specific needs of the individual Member State during the assessment of the individual national recovery and resilience plans. As we promote a higher degree of flexibility in the entire process as compared with the Commission’s proposal, we do also so in setting of assessment criteria.</p> <p>There should be sufficient scope to translate national priorities and all country-specific challenges and needs into recovery and resilience plans and those should be duly taken into account by the Commission in their assessment. Otherwise, countries with less CSRs and less structural gaps will be strongly disadvantaged. In order to foster the national ownership of the recovery and resilience plans and to benefit from the in-depth analysis provided within the country reports, we suggest that a broader set of documents in the context of the European Semester should be considered.</p> <p>We also suggest underlining clearly that the CSRs are relevant for the assessment in its full complexity including the recitals of the CSRs document.</p> <p>FR: (Drafting):</p>
--	--	--

		<p>“whether the recovery and resilience plan is expected to contribute to effectively address challenges identified in the relevant country-specific recommendations addressed to the Member State concerned or in other relevant documents officially adopted by the Commission in the European Semester, <u>as well as those identified in the most recent Council recommendation on the economic policy of the euro area for Member States whose currency is the euro;</u>”</p> <p>FR: (Comments):</p> <p><i>FR: The extent to which Euro Area Member States take account of the latest Euro Area Recommendation orientations should also be part of the Commission’s assessment. For subsequent years, if the Euro Area has a dedicated chapter on the priorities of the plans, it will be easier for the Commission to assess the disbursement requests and the potential amended national plans presented by Member States.</i></p>
282.		<p>ES: (Drafting):</p> <p>(b) whether the plan contains measures that effectively contribute to mitigate the social and economic impact of the crisis.</p> <p>ES: (Comments):</p> <p>We propose to add this criterion as a standalone criterion in line with the objective of the Regulation (art.4). In the Commission assessment described in Annex II we propose that this criterion ranks on an equal level as the green and digital transitions, so that a project is financed if: (i) it ranks A in addressing the CSRs and the green and digital transitions, OR (ii) it ranks A in addressing the CSRs and mitigating the social and economic impact of the crisis; and a majority of As over Bs in the other criteria.</p> <p>This would be in line with the objective of the Regulation and the nature of an instrument that forms part of a package to address this crisis.</p>

		<p>SE: (Drafting):</p> <p><u>New: whether the plan is consistent with recommendations and decisions adopted in the context of the Stability and Growth Pact and effectively contributes to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability while allowing room for budgetary manoeuvre;</u></p> <p><u>In particular, the Commission shall address the following in its assessment;</u></p> <p><u>(a.1) In the case where a Member State is experiencing imbalances or excessive imbalances as concluded by the Commission after an in-depth review under Article 5 of Regulation (EU) No 1176/2011, whether the recovery and resilience plan is expected to address all these imbalances [in line with the relevant country-specific recommendations].</u></p> <p><u>(a.2) In the case where a Member State is in a significant deviation procedure under the preventive arm or an excessive deficit procedure under the corrective arm of the Stability and Growth Pact, whether the recovery and resilience plan is expected to address all the country-specific recommendations stemming from the Stability and Growth Pact.</u></p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future and therefore the importance of recommendations and decisions within the SGP.</p> <p>NL: (Drafting):</p> <p><u>New (a.1) in case a member state is experiencing imbalances or excessive imbalances as concluded by the Commission after an in-depth review, whether the reform plan and investment plan are expected to</u></p>
--	--	--

		<p><u>address the recommendations made under Article 6 of Regulation (EU) No 1176/2011.</u></p> <p><u>New (a.2) whether the reform plan and investment plan are expected to address the country-specific recommendations stemming from the Stability and Growth Pact.</u></p> <p>NL: (Comments):</p> <p>In order to provide focus to the reform efforts and tackle the biggest obstacles to sustainable growth, member states should be required to prioritize CSRs originating from the MIP and the SGP.</p>
283.	(b) whether the plan contains measures that effectively contribute to the green and the digital transitions or to addressing the challenges resulting from them;	<p>DK: (Drafting):</p> <p>(b) whether the plan contains measures that effectively contribute <u>by a minimum of 25 percent</u> to the green and the digital transitions or to addressing the challenges resulting from them;</p> <p>DK: (Comments):</p> <p><u>Clear conditions need to ensure that R&R plans as a whole and on a national basis contributes sufficiently to green transition. The plans should address both green and digital.</u></p> <p>SE: (Drafting):</p> <p>(b) whether the plan contains measures that effectively contribute to <u>both</u> the green and the digital transitions or to addressing the challenges resulting from them;</p> <p>SE: (Comments):</p> <p>The plans should address both green and digital.</p> <p>NL: (Drafting):</p>

		<p>(b) <u>for the investment plan,</u> whether the plan contains measures that effectively contribute to the green and the digital transitions or to addressing the challenges resulting from them it;</p> <p>NL: (Comments):</p> <p>This provision only applies to the investment part. Moreover, we would like to split the green and digital transition, to ensure both conditions are always met.</p> <p>LV: (Drafting):</p> <p>(b) — whether the plan contains measures that effectively contribute to the green and the digital transitions or to addressing the challenges resulting from them;</p> <p>AT: (Drafting):</p> <p>(b) whether the plan contains measures that effectively contribute to the green transition by a minimum of 25% of the estimated total cost and the digital transitions or to addressing the challenges resulting from them;</p> <p>AT: (Comments):</p> <p>We need a minimum target of 25% of the expenditures under the Facility for the Green Transition. Further, a no-harm principle must be introduced.</p> <p>CZ: (Comments):</p> <p>CZ: Clarification is needed on some of the assessment criteria. The CZ welcomes the Commission to present concrete examples of structural reforms or investments that the Commission would consider bullet-proof in terms of their eligibility and contribution to green and digital transition for their financing from the RRF.</p>
--	--	---

		<p>RO: (Drafting):</p> <p>whether the plan contains measures that effectively contribute enhance the potential for to the green and or the digital transitions or to addressing the challenges resulting from them;</p> <p>RO: (Comments):</p> <p>This proposal shall also reflect the national specificities.</p>
284.		<p>LU: (Drafting):</p> <p>(ba) whether the plan contains measures that effectively contribute to the well-functioning of the internal market, the re-establishment or the strengthening of resilience of cross-border supply chains;</p> <p>LU: (Comments):</p> <p>One of the main objectives of the RRF is to preserve the well-functioning of the single market, and in this regard, cross-border supply chains were one of the elements that were most affected by the lock-downs. Given the high importance and European added value of these objectives, they should be taken into account in the assessment.</p> <p>NL: (Drafting):</p> <p><u>(ba) (NEW) whether the plan contains measures that effectively contribute to the digital transition or to addressing the challenges resulting from it;</u></p> <p>NL: (Comments):</p> <p>See comment in line 283.</p>

285.	(c) whether the recovery and resilience plan is expected to have a lasting impact on the Member State concerned;	<p>NL: (Drafting):</p> <p>(c) whether the recovery and resilience plan is expected to have a lasting impact on the Member State concerned;</p> <p>AT: (Drafting):</p> <p>(c) — whether the recovery and resilience plan is expected to have a lasting impact on the Member State concerned;</p> <p>AT: (Comments):</p> <p>Not clear what is meant; unless further specified it could be deleted.</p>
286.		
287.	(d) whether the recovery and resilience plan is expected to effectively contribute to strengthen the growth potential, job creation, and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis, and contribute to enhance economic, social and territorial cohesion;	<p>LU: (Drafting):</p> <p>whether the recovery and resilience plan is expected to effectively contribute to strengthen the growth potential, job creation, and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis , sets the economy back on a sustainable recovery path, and contribute to enhance economic, social and territorial cohesion;</p> <p>LU: (Comments):</p> <p>-The plan should lay out as well how the measures contribute to get the economy back on a sustainable recovery path;</p> <p>DK: (Drafting):</p>

	<p>(d) whether the recovery and resilience plan is expected to effectively contribute to strengthen the growth potential, job creation, and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis, and contribute to enhance economic, social and territorial cohesion ;<u>and the achievement of sound medium-term budgetary positions ensuring sufficient fiscal space;</u></p> <p>DK: (Comments):</p> <p><u>Need for a clearer framework for assessment of whether R&R plans contribute to growth, job creation and economic resilience.</u></p> <p>ES: (Drafting):</p> <p>(d) whether the recovery and resilience plan is expected to effectively contribute to strengthen the growth potential, job creation, and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis, and contribute to enhance economic, social and territorial cohesion;</p> <p>BG: (Comments):</p> <p>We agree that addressing the respective country-specific recommendations and the green and digital transitions should be emphasised, but we would like to remark that these bear an intrinsic connection with this criterion, related to strengthening potential and improving social and territorial cohesion. In light of this, perhaps additional weight should be given to it.</p> <p>SE: (Drafting):</p> <p>whether the recovery and resilience plan is expected to effectively contribute to strengthen the growth potential, job creation, and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis, and contribute to enhance <u>equality between women and men as well as</u> economic, social and territorial cohesion <u>and the achievement of sound medium-term budgetary positions ensuring sufficient</u></p>
--	--

	<p><u>fiscal space</u>;</p> <p>SE: (Comments):</p> <p>It is important to underline the resilience part of the purpose of RRF– for MS to be better prepared for an economic shock in the future and therefore the importance of recommendations and decisions within the SGP.</p> <p>Promotion of gender equality should also be included.</p> <p>NL: (Drafting):</p> <p>(d) whether the recovery and resilience plan is <u>reform plan and the investment plan are</u> expected to effectively contribute to strengthen the growth potential, job creation, and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis, and contribute to enhance economic, social and territorial cohesion;</p> <p>LV: (Drafting):</p> <p>whether the recovery and resilience plan is expected to effectively contribute to strengthen the growth potential, job creation, and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis, and contribute to enhance economic, social and territorial cohesion; <u>whether the plan contains measures that effectively contribute to the green and the digital transitions or to addressing the challenges resulting from them;</u></p> <p>RO: (Drafting):</p> <p>d) whether the recovery and resilience plan is expected to effectively contribute to strengthen the growth potential, <i>competitiveness</i>, job creation, and economic and social resilience of the Member State, mitigate the economic and social impact of the crisis, and contribute to enhance economic, social and territorial cohesion;</p>
--	---

		<p>RO: (Comments):</p> <p>Please see line 123.</p> <p>FR: (Drafting):</p> <p>(d) whether the recovery and resilience plan is expected to effectively contribute to strengthen the growth potential, job creation, and economic and social resilience of the Member State and the Union's strategic autonomy, mitigate the economic and social impact of the crisis, and contribute to enhance economic, social and territorial cohesion;</p> <p>FR: (Comments):</p> <p><i>FR: National recovery plans should also contribute more widely to the Union's shared strategic autonomy objective. Annex II should be modified accordingly.</i></p>
288.		<p>DK: (Drafting):</p> <p><u>New: whether the plan is compatible with the single market.</u></p> <p>SE: (Drafting):</p> <p><u>New: whether the plan is compatible with the single market</u></p>
289.	(e) whether the justification provided by the Member State on the amount of the estimated total costs of the recovery and resilience plan submitted is reasonable and	<p>LU: (Comments):</p> <p>To allow for an objective reference framework, further details should be included on how to assess whether costs are “commensurate” with the impact of the measures</p> <p>DK: (Drafting):</p>

	<p>plausible and is commensurate to the expected impact on the economy and employment;</p>	<p>(e) whether the justification provided by the Member State on the amount of the estimated total <u>and individual</u> costs of <u>the reforms and investments in</u> the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment;</p> <p>SE: (Drafting):</p> <p>whether the justification provided by the Member State on the amount of the estimated total <u>and individual</u> costs of <u>the reforms and investments in</u> the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment;</p> <p>NL: (Drafting):</p> <p>(e) <u>for the investment plan,</u> whether the justification provided by the Member State on the amount of the estimated total costs of the recovery and resilience plan submitted is reasonable and plausible and is commensurate to the expected impact on the economy and employment;</p> <p>NL: (Comments):</p> <p>As reforms will often not create a cost, we believe this provision could be aimed at the investment plan.</p> <p>LV: (Comments):</p> <p><u>We suggest the Commission provides a clear guidance / template on breakdown the costs (by specific reforms, policy/ investment areas), on the justification of the costs and on their relation to the milestones and indicators.</u></p> <p>AT: (Drafting):</p> <p>(e) whether the justification provided by the Member State on the amount of the estimated total costs of the</p>
--	--	--

		<p>recovery and resilience plan submitted is reasonable and plausible and is commensurate to cost-efficient with a view to reaching the expected impact on the economy and employment;</p> <p>AT: (Comments):</p> <p>Efficiency of use of resources has to be made more explicit. Cost-efficiency of proposals should be given the same weight as 3.a and 3.b</p> <p>RO: (Comments):</p> <p>The terms "reasonable and plausible" are too vague, this providing a large margin of discretion.</p>
290.		
291.	<p>(f) whether the recovery and resilience plan contains measures for the implementation of reforms and public investments projects that represent coherent actions;</p>	<p>LU: (Drafting):</p> <p>whether the recovery and resilience plan contains measures for the implementation of reforms and public investments projects that represent coherent actions;</p> <p>LU: (Comments):</p> <p>Please refer to our comment in line 233.</p> <p>SK: (Drafting):</p> <p>(f) whether the recovery and resilience plan contains measures for the implementation of reforms and public investments projects that represent coherent actions <u>including those already being implemented;</u></p> <p>BG: (Comments):</p> <p>Regarding the requirement of whether the proposed recovery and resilience plan contains measures for the</p>

		<p>implementation of reforms and public investment projects that represent coherent actions, we would welcome additional clarification as to what the envisaged “coherence” entails. Does this exclusively bear relation to Recital 35 regarding the consistency with and complementarity to ongoing Union programmes, and the avoidance of double funding for the same expenditure?</p> <p>NL: (Drafting):</p> <p>(f) — whether the recovery and resilience plan contains measures for the implementation of reforms and public investments projects that represent coherent actions;</p> <p>NL: (Comments):</p> <p>We do not support the need for coherence. See comment to article 14.1 in line 233 and article 15.3 (i) in line 263.</p> <p>LV: (Drafting):</p> <p><u>(f) — whether the recovery and resilience plan contains measures for the implementation of reforms and public investments projects that represent coherent actions;</u></p>
292.		
293.	<p>(g) whether the arrangements proposed by the Member States concerned are expected to ensure an effective implementation of the recovery and resilience plan, including the envisaged timetable, milestones and targets, and the related indicators.</p>	<p>LU: (Comments):</p> <p>MS are best placed to come up with arrangements at national level that are conducive to an effective implementation of their RRP. Other than the examples given in the last two lines of the paragraph, what national arrangements does the Commission plan to look at when assessing the plan?</p> <p>ES: (Drafting):</p> <p>(g) whether the arrangements proposed by the Member States concerned are expected to ensure an effective</p>

		<p>implementation of the recovery and resilience plan, including the envisaged timetable, milestones and targets, and the related indicators.</p> <p>ES: (Comments):</p> <p>Reference to the related indicators is redundant.</p> <p>NL: (Drafting):</p> <p>(g) whether the arrangements proposed by the Member States concerned are expected to ensure an effective implementation of the recovery and resilience plan <u>reform plan and the investment plan</u>, including the envisaged timetable, milestones and targets, and the related indicators.</p> <p>LV: (Comments):</p> <p><u>The term “arrangements” here is vague. Effective delivery systems in the member-states will be crucial in successful implementation of the plans. The regulation should be more specific on these delivery arrangements and the criteria for their assessment. It should be explicit that, should the member-states choose to use the existing delivery systems for other EU funds, the</u></p> <p><u>Commission will fully rely on them without duplicating any audit work.</u></p>
294.		<p>DK: (Drafting):</p> <p><u>New: whether the plan contains measures that effectively contribute to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability.</u></p> <p>DK: (Comments):</p>

		<p><u>Assessing the sustainability of a Member States public finances is important before deciding on financial assistance.</u></p> <p>HU: (Drafting):</p> <p>(h) whether the recovery and resilience plan contributes to key infrastructure development, especially in Member States where GDP/capita is below the EU average and the level of public debt is sustainable.</p> <p>HU: (Comments):</p> <p>Less prosperous MSs with relatively lower debt level are more in need of infrastructural investment, than structural reforms in order to boost economy and mitigate the effects of the crisis.</p> <p>SE: (Drafting):</p> <p><u>(h) whether the plan contains measures that effectively contribute to the achievement of a sound medium-term budgetary position which ensures the sustainability of public finances or a rapid progress towards such sustainability</u></p> <p>SE: (Comments):</p> <p>Making an analysis of the sustainability of public finances before providing a loan is part of sound financial management.</p>
295.	4. In case the Member State concerned has requested a loan support as referred to in Article 12, the Commission shall assess whether the request for loan	<p>LU: (Drafting):</p> <p>In case the Member State concerned has requested a loan support as referred to in Article 12, the Commission shall assess whether the request for loan support fulfils the criteria set out in Article 13(1), notably whether the additional proposed reforms and investments concerned by the loan request fulfil the assessment criteria under</p>

	support fulfils the criteria set out in Article 13(1), notably whether the additional reforms and investments concerned by the loan request fulfil the assessment criteria under paragraph 3.	<p>paragraph 3.</p> <p>LU: (Comments):</p> <p>Please refer refer to our comment in line 187.</p> <p>SE: (Comments):</p> <p>Again, SE only supports that loans are provided by RRF.</p>
296.		<p>FI: (Drafting):</p> <p><u>NEW paragraph</u></p> <p><u>5. The Council may discuss the proposed plans of the Member States, for which it may invite the Commission to present its views.</u></p> <p>FI: (Comments):</p> <p><u>To increase the role of the Member States.</u></p>
297.	5. For the purpose of the assessment of the recovery and resilience plans submitted by Member States, the Commission may be assisted by experts.	<p>NL: (Drafting):</p> <p>5. For the purpose of the assessment of the recovery and resilience plan <u>reform plans and investment plans</u> submitted by Member States, the Commission may be assisted by experts.</p> <p>RO: (Comments):</p> <p>Please explain the process and how confidentiality will be ensured especially regarding strategic investments that could jeopardize the public interests of the Member State, as provided for in Article 21 (1).</p>

		<p>BE: (Comments):</p> <p>Does it mean that the Commission might not have sufficient human resources? Will the possible cost of the experts be covered by the program envelope?</p>
298.		<p>DK: (Drafting):</p> <p><u>New: To fulfil the criteria set out in Article 16(3-b), the Member State shall dedicate at least 25% of their total allocation to climate objectives.</u></p> <p><u>The methodology used for the calculation of support to climate objectives is the methodology set out in the annex I of the Regulation (EU) No XXX/XX of the European Parliament and of the Council [CPR].</u></p> <p>DK: (Comments):</p> <p><u>To ensure that the climate target for the RRF of at least 25% is reached, we suggest to apply it to all Member States.</u></p> <p><u>Furthermore, to ensure proper tracking of climate expenditures, we would like to apply Annex I of the Common Provisions Regulation (CPR).</u></p> <p>NL: (Drafting):</p> <p><u>NEW 6. To fulfil the criteria set out in Article 16(3-b), the member state shall dedicate at least 25% of their total allocation to climate objectives.</u></p> <p><u>The methodology used for the calculation of support to climate objectives is the methodology set out in the annex I of the Regulation (EU) No XXX/XX of the European Parliament and of the Council [CPR].</u></p>

		<p>NL: (Comments):</p> <p>To ensure that the climate target for the RRF of at least 25% is reached, we suggest to apply it to all Member States.</p> <p>Furthermore, to ensure proper tracking of climate expenditures, we would like to apply Annex I of the Common Provisions Regulation (CPR) which provides riomarkers per investment category.</p> <p>IT: (Drafting):</p> <p>ANNEX II (pag. 9)</p> <p>As a result of the assessment process, and taking into account the ratings:</p> <p>The recovery and resilience plan complies satisfactorily with the assessment criteria:</p> <p>If the final rating for criteria 2.1 to 2.7 includes scores with:</p> <p>–an A for criteria 2.1 and 2.2;</p> <p>and for the other criteria:</p> <p>–all A's,</p> <p>or</p> <p>- a majority of A's over B's and no more than one C,</p> <p>The recovery and resilience plan does not comply satisfactorily with the assessment criteria:</p> <p>If the final rating for criteria 2.1 to 2.7 includes scores with:</p>
--	--	--

		<p>– not an A in criteria 2.1 and 2.2;</p> <p>and for the other criteria:</p> <p>- a majority of B's over A's</p> <p>or</p> <p>- at least more than one C.</p> <p>FR: (Drafting):</p> <p><u>“6. To fulfil the criteria set out in Article 16(3-b), the member state shall dedicate 30% of their total allocation to the green transition.”</u></p> <p>FR: (Comments):</p> <p><i>FR: The introduction of this provision makes it possible to better materialize the contribution to the green transition of the recovery tool through quantified objectives. Could the Commission give more details on the climate tracking methodology announced in the second half of the year? Does it plan to build on existing tools such as the annex to the CPR regulation? This information is needed quickly for the design of recovery plans.</i></p>
299.	[Article 17 Commission decision]	
300.		
301.	1. The Commission shall adopt a decision within four months of the official submission of the	<p>ES: (Drafting):</p> <p>1. The Commission shall adopt a decision within <u>two</u>four months of the official submission of the recovery</p>

	<p>recovery and resilience plan by the Member State, by means of an implementing act. In the event that the Commission gives a positive assessment to a recovery and resilience plan, that decision shall set out the reforms and investment projects to be implemented by the Member State, including the milestones and targets, and the financial contribution allocated in accordance with Article 11.</p>	<p>and resilience plan by the Member State, by means of an implementing act. In the event that the Commission gives a positive assessment to a recovery and resilience plan, that decision shall set out the reforms and investment projects to be implemented by the Member State, including the milestones and targets, and the financial contribution allocated in accordance with Article 11.</p> <p>ES: (Comments):</p> <p>The 4 month deadline seems too long given that there will be ongoing dialogue and exchange of information between the Commission and Member States and that it is very important to accelerate the process so that the implementation of reforms and investments can start as soon as possible.</p> <p>LV: (Drafting):</p> <p><u>1. The Commission shall adopt a decision within two months of the official submission of the recovery and resilience plan by the Member State, by means of an implementing act. In the event that the Commission gives a positive assessment to a recovery and resilience plan, that decision shall set out the reforms and investment projects to be implemented by the Member State, including the milestones and targets, and the financial contribution allocated in accordance with Article 11.</u></p> <p>IT: (Drafting):</p> <p>1. The Commission shall adopt a decision within two four months of the official submission of the recovery and resilience plan by the Member State, by means of an implementing act. In the event that the Commission gives a positive assessment to a recovery and resilience plan, that decision shall set out the reforms and investment projects to be implemented by the Member State, including the milestones and targets, and the financial contribution allocated in accordance with Article 11.</p> <p>FR: (Drafting):</p>
--	--	---

		<p>“The Commission shall adopt a decision within four two months of the official submission of the recovery and resilience plan by the Member State [...]”</p> <p>FR: (Comments):</p> <p><i>FR: Officially, the formal deadline will start running from January 1st onwards and the Commission will issue an evaluation on the 27 national plans around the same time as the 2021 country reports’ release. However, if all Member States informally agree to submit their national plans in mid-October 2020, the Commission will then implicitly have four months to assess the plans. This accelerated assessment process could be extended to subsequent years.</i></p>
302.		
303.	<p>2. In case the Member State concerned requests a loan support, the decision shall also set out the amount of the loan support as referred to in Article 12(4) and (5) and the additional reforms and investment projects to be implemented by the Member State covered by that loan support, including the additional milestones and targets.</p>	

304.		
305.	3. The financial contribution referred to in paragraph 1 shall be determined on the basis of the estimated total costs of the recovery and resilience plan proposed by the Member State concerned, as assessed under the criteria set out in Article 16(3). The amount of financial contribution shall be set as follows:	
306.		
307.	(a) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 16(3), and the amount of the estimated total costs of the recovery and resilience plan is equal to, or higher than, the maximum financial contribution for that Member State referred to in Article 10, the financial contribution allocated to the Member State concerned shall be	<p>DK: (Drafting):</p> <p>(a) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 16(3), and the amount of the estimated total costs of the recovery and resilience plan is equal to, or higher than, the maximum financial contribution<u>assistance</u> for that Member State referred to in Article 10, the financial contribution<u>assistance</u> allocated to the Member State concerned shall be equal to the total amount of the maximum financial contribution<u>assistance</u> referred to in Article 10;</p> <p>ES: (Drafting):</p> <p>(a) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 16(3), and the amount of the estimated total costs of the recovery and resilience plan is equal to, or higher than, the maximum financial contribution for that Member State referred to in Article 10, the financial contribution</p>

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

	equal to the total amount of the maximum financial contribution referred to in Article 10;	allocated and disbursed to the Member State concerned shall be equal to the total amount of the maximum financial contribution referred to in Article 10;
308.		
309.	(b) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 16(3), and the amount of the estimated total costs of the recovery and resilience plan is lower than the maximum financial contribution for that Member State referred to in Article 10, the financial contribution allocated to the Member State shall be equal to the amount of the estimated total costs of the recovery and resilience plan;	<p>DK: (Drafting):</p> <p>(b) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 16(3), and the amount of the estimated total costs of the recovery and resilience plan is lower than the maximum financial contributionassistance for that Member State referred to in Article 10, the financial contributionassistance allocated to the Member State shall be equal to the amount of the estimated total costs of the recovery and resilience plan;</p> <p>ES: (Drafting):</p> <p>(b) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 16(3), and the amount of the estimated total costs of the recovery and resilience plan is lower than the maximum financial contribution for that Member State referred to in Article 10, the financial contribution allocated and disbursed to the Member State shall be equal to the amount of the estimated total costs of the recovery and resilience plan;</p>
310.		
311.	(c) where the recovery and resilience plan does not comply satisfactorily with the criteria set out in Article 16(3), no financial	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

	contribution shall be allocated to the Member State concerned.	
312.		
313.	4. The decision referred to in paragraph 1 shall also lay down :	
314.		
315.	(a) the financial contribution to be paid in instalments once the Member State has satisfactorily implemented the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan;	<p>IT: (Drafting):</p> <p>(a) the financial contribution to be paid in instalments once the Member State has satisfactorily implemented the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan. The first instalment shall be paid when the decision is adopted. The amount of the first instalment shall be equal to at least 20% of the national recovery and resilience plan as adopted.</p> <p>IT: (Comments):</p> <p><i>Ensure adequate prefinancing</i></p>
316.		
317.	(b) the description of the reforms and of the investment projects and the amount of the estimated total cost of the recovery and resilience plan;	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

318.		
319.	(c) the period for implementation of the recovery and resilience plan as follows:	
320.		
321.	(1) as regards completion of the investment, the investment period by which the investment project must be implemented shall end no later than seven years after the adoption of the decision;	
322.		
323.	(2) as regards completion of reforms, the period by which the reforms must be implemented shall end no later than four years after the adoption of the decision.	<p>LT: (Comments):</p> <p>There should be a uniform implementation period of seven years for both reforms and investments as structural reforms may take a lot of time to implement or need for additional reforms may arise at a later stage.</p>
324.		
325.	(d) the arrangements and timetable for implementation of the recovery and resilience plan;	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: *6 July 2020 12:00PM CET*

326.		
327.	(e) the relevant indicators relating to the fulfilment of the envisaged milestones and targets; and	
328.		
329.	(f) the arrangements for providing access by the Commission to the underlying relevant data.	
330.		
331.	(g) where appropriate, the amount of the loan to be paid in instalments and the additional milestones and targets related to the disbursement of the loan support.	
332.		
333.	5. Where the Commission gives a negative assessment to a recovery and resilience plan, it shall communicate a duly justified	<p>LV: (Comments):</p> <p><u>The procedure following the negative assessment is lacking. There should be a procedure for resubmitting an adjusted / improved plan without having to wait a full year until the next dead-line.</u></p>

	assessment within four months of the submission of the proposal by the Member State.	FR: (Drafting): “Where the Commission gives a negative assessment to a recovery and resilience plan, it shall communicate a duly justified assessment within four two months of the submission of the proposal by the Member State.”
334.		
335.	6. The arrangements and timetable for implementation as referred to in point (d), the relevant indicators relating to the fulfilment of the envisaged milestones and targets referred to in point (e), the arrangements for providing access by the Commission to the underlying data referred to in point (f), and, where appropriate, the additional milestones and targets related to the disbursement of the loan support referred to in point (g) of paragraph 4 shall be further illustrated in an operational arrangement to be agreed by the Member State concerned and the Commission after the adoption of the decision referred to in	LV: (Comments): <u>At this point it is unclear what would the added value of this “operational arrangement” and what would be it’s legal form.</u>

	paragraph 1.	
336.		
337.	7. The implementing acts referred to in paragraphs 1 and 2 shall be adopted in accordance with the examination procedure referred to in Article 27(2).]	<p>FI: (Comments):</p> <p>As a general remark:</p> <p><u>We find it important to strengthen the role of the Members States in the decision-making process under the RRF. The involvement of MS must be strengthened in a way that gives the Council right to discuss, approve or disapprove national reform- and recovery plans. Moreover, the decision-making process should also ensure equal treatment of MSs' national reform- and recovery plans.</u></p> <p>IT: (Drafting):</p> <p>The implementing acts referred to in paragraphs 1 and 2 shall be adopted in accordance with the examination advisory procedure referred to in Article 27(2).</p>
338.		
339.	[Article 18 Amendment of the Member State's recovery and resilience plan	
340.		
341.	1. Where the recovery and resilience plan including relevant milestones and targets, is no longer	<p>DK: (Comments):</p> <p><u>Need for clear description of what constitutes objective circumstances.</u></p>

	achievable, either partially or totally, by the Member State concerned because of objective circumstances, the Member State concerned may make a reasoned request to the Commission to amend or replace the decisions referred to in Article 17(1) and 17(2). To that effect, the Member State may propose a modified or a new recovery and resilience plan.	<p>ES: (Comments):</p> <p>Under what type of circumstances would the Commission consider justify an amendment of the recovery plan? As part of the amendment would the reallocation of funds between reforms and investments be allowed?</p> <p>IT: (Drafting):</p> <p>Where the recovery and resilience plan including relevant milestones and targets, is no longer achievable, either partially or totally, by the Member State concerned because of objective circumstances or other duly justified reasons, the Member State concerned may make a reasoned request to the Commission to amend or replace the decisions referred to in Article 17(1) and 17(2). To that effect, the Member State may propose a modified or a new recovery and resilience plan.</p>
342.		<p>SE: (Drafting):</p> <p><u>If the Union's climate objective for 2030 set out in Article 2(11) of Regulation (EU) 2018/1999 is updated after the approval of the plan, the Member State shall justify to the Commission that the resilience and recovery plan is still in line with the new objective. Where the Commission considers that the recovery and resilience plan is no longer in line with the new objective, it may ask to the Member State to amend its plan.</u></p>
343.	2. Where the Commission considers that the reasons put forward by the Member State concerned justify an amendment of the relevant recovery and resilience plan, the Commission shall assess the new plan in accordance with the provisions of Article 16 and shall	<p>LV: (Drafting):</p> <p><u>2. Where the Commission considers that the reasons put forward by the Member State concerned justify an amendment of the relevant recovery and resilience plan, the Commission shall assess the new plan in accordance with the provisions of Article 16 and shall take a new decision in accordance with Article 17 within two months of the official submission of the request.</u></p> <p>FR: (Drafting):</p>

	take a new decision in accordance with Article 17 within four months of the official submission of the request.	“Where the Commission considers that the reasons put forward by the Member State concerned justify an amendment of the relevant recovery and resilience plan, the Commission shall assess the new plan in accordance with the provisions of Article 16 and shall take a new decision in accordance with Article 17 within four two months of the official submission of the request.”
344.		
345.	3. Where the Commission considers that the reasons put forward by the Member State concerned do not justify an amendment of the relevant recovery and resilience plan, it shall reject the request within four months of its official submission, after having given the Member State concerned the possibility to present its observations within a period of one month of the communication of the Commission's conclusions.]	FR: (Drafting): “Where the Commission considers that the reasons put forward by the Member State concerned do not justify an amendment of the relevant recovery and resilience plan, it shall reject the request within four two months of its official submission, after having given the Member State concerned the possibility to present its observations within a period of one month of the communication of the Commission's conclusions.]”
346.		DK: (Drafting): <u>New: Financing and investment operations shall be screened to determine if they have an environmental or climate impact and if so, shall be subject to climate and environmental sustainability proofing with a view to minimise detrimental impacts and maximise benefits on climate and environment. Projects that are inconsistent with the achievement of the environmental and climate objectives shall not be eligible for</u>

	<p><u>support under this Facility. The Commission shall provide guidance on environmental and climate proofing. The National Energy and Climate Plans, Just Transition Plans and the climate and environmental elements of the European Semester will be used to screen projects.</u></p> <p>DK: (Comments):</p> <p><u>We suggest to make reform and investments subject to climate and environmental sustainability proofing.</u></p> <p><u>To ensure that investments are in line with climate and environmental goals guidelines from the Commission regarding sustainability proofing are important.</u></p> <p><u>Furthermore, it is important to determine if plans are still in line with the EU's 2030 climate goals.</u></p> <p>NL: (Drafting):</p> <p><u>Article 18' (NEW)</u></p> <p><u>Financing and investment operations shall be screened to determine if they have an environmental or climate impact and if so, shall be subject to climate and environmental sustainability proofing with a view to minimise detrimental impacts and maximise benefits on climate and environment. Projects that negatively impact the achievement of the environmental and climate objectives shall not be eligible for support under this Regulation. The Commission shall provide guidance on environmental and climate proofing. The National Energy and Climate Plans, Just Transition Plans and the climate and environmental elements of the European Semester will be used to screen projects.</u></p> <p><u>The Commission guidance shall identify projects that are inconsistent with the achievement of environmental and climate objectives and provide member states with guidance for the purpose of screening. In case the member state concludes that no sustainability proofing is to be carried out, it shall provide a justification to the Investment Committee.</u></p>
--	--

		<p><u>Article 18'' (NEW). If the Union's climate objective for 2030 set out in Article 2(11) of Regulation (EU) No 2018/1999 is updated after the approval of the plan, the member state shall justify to the Commission in the quarterly report mentioned in article 20 following this modification that the resilience and recovery plan is still in line with the new objective. Where the Commission considers that the recovery and resilience plan is no longer in line with the new objective, she can ask to the member state to amend its plan. Payment of financial contributions to the Member State shall be suspended until the Member State proposes an amended plan in accordance with the procedure laid down in article 18.</u></p> <p>NL: (Comments):</p> <p>We think it is important to ensure that investments are subject to climate and environmental sustainability proofing and that investments that are inconsistent with climate and environmental objectives are not eligible for support.</p> <p>To ensure that investments are in line with climate and environmental goals it is important that additional guidance is provided by the Commission regarding sustainability proofing.</p> <p>--</p> <p>Furthermore it is important to determine if plans are still in line with the 2030 climate goals are the 2030-goal is updated. If necessary, the plans should be updated.</p>
347.	CHAPTER IV	
348.		
349.	Financial provisions	
350.		

351.	[Article 19 Rules on payments, suspension and cancellation of financial contributions	DK: (Comments): <u>Does these rules allow to cancel payments if a Member State receiving financial assistance does not respect EU fundamental rights (non-discrimination etc.) and rule of law? Our understanding is that they do not.</u>
352.		
353.	1. The Commission decision referred to in Article 17(1) shall constitute an individual legal commitment within the meaning of the Financial Regulation, which may be based on global commitments. Where appropriate, budgetary commitments may be broken down into annual instalments spread over several years.	ES: (Comments): The RRF Regulation proposal sets out that requests for payments may be submitted on a biannual basis. When exactly are Member States expected to submit payment requests? Would certification of expenditures be required under the Facility? FR: (Comments): <i>FR: Could the Commission elaborate on what constitutes an annual instalment?</i>
354.		
355.	2. Payment of financial contributions to the Member State concerned under this Article shall be made in accordance with the budget appropriations and subject to the available funding. The	IT: (Drafting): Payment of financial contributions to the Member State concerned under this Article shall be made in accordance with the budget appropriations and subject to the available funding. The Commission decisions referred to in this Article shall be adopted in accordance with the examination procedure referred to in Article 27(2). The Commission shall inform Member States of the payment of financial contributions occurred.

	Commission decisions referred to in this Article shall be adopted in accordance with the examination procedure referred to in Article 27(2).	<p>IT: (Comments):</p> <p><i>Need a simplification of the procedure to ensure timely and effective delivery.</i></p> <p>FR: (Comments):</p> <p><i>FR: Could the Commission elaborate on the payment schedule of financial contributions to the Member States? When would the schedule be finalized and communicated to the Member State?</i></p>
356.		
357.	<p>3. Upon completion of the relevant agreed milestones and targets indicated in the recovery and resilience plan as approved in the implementing act of the Commission, the Member State concerned shall submit to the Commission a duly justified request for payment of the financial contribution and, where relevant, of the loan tranche. Such requests for payment may be submitted by the Member States to the Commission on a biannual basis. The Commission shall assess, within two months of receiving the</p>	<p>LT: (Comments):</p> <p>Advanced payments should be made available and received before the submission of request for payments, considering that the need to finance implementation of reforms and investment may put significant burden on national budgets, while, according to the Commissions proposal, payments are only made at the later stages. In case Member State is not able to complete the relevant milestones or targets, it would be obligated to return the received advanced payments.</p> <p>ES: (Comments):</p> <p>In accordance with Article 19.3, the Commission will authorise the disbursement of the funds following a positive assessment on the implementation of the relevant milestones and targets set out in the decision referred to in Article 17(1). We understand that these disbursements will correspond to the instalments and amounts established ex ante in the decision, as referred to in Article 17(3).</p> <ul style="list-style-type: none"> ○ What would happen if the actual costs incurred are different from the total estimated costs initially projected? ○ Does the Commission envisage any type of ex-post adjustment to the amounts to be disbursed?

	<p>request, whether the relevant milestones and targets set out in the decision referred to in Article 17(1) have been satisfactorily implemented. For the purpose of the assessment, the operational arrangement referred to in Article 17(6) shall also be taken into account. The Commission may be assisted by experts.</p>	<p>○ What would be a realistic expectation of the timing of the first disbursements?</p> <p>If the completion of a ‘milestone’ began in January and payment requests for the completion of such milestone were expected to be submitted for example in June, how would the investment costs necessary for the completion of the milestone be financed (i.e debt issuance by Member States)?</p> <p>Does the Commission foresee the possibility to pre-finance investment and reform costs?</p> <p>If no funds were received by Member States to prior to incurring in investment and reform costs and they had to finance these costs in advance, how would these expenditures be computed within the Stability and Growth Pact framework?</p> <p>If no funds were received by Member States to prior to incurring in investment and reform costs and they had to finance these costs in advance, would Member States have the possibility of receiving loans under the Recovery and Resilience Facility and repay them afterwards, once funds have been received?</p> <p>FR: (Drafting):</p> <p>“(…) Such requests for payment may be submitted by the Member States to the Commission on a biannual trimestrial basis. The Commission shall assess, within two one month of receiving the request, whether the relevant milestones and targets set out in decision referred to in Article 17(1) have been satisfactorily implemented.”</p> <p>FR: (Comments):</p> <p><i>FR: A trimestrial basis allows for a faster payment of the financial contributions, as requested by several Member States to reinforce the counter-cyclical nature of the instrument.</i></p>
358.		

359.	Where the Commission makes a positive assessment, it shall adopt a decision authorising the disbursement of the financial contribution in accordance with the Financial Regulation.	<p>ES: (Comments):</p> <p>Commitments and payments should go in parallel.</p>
360.		
361.	<p>4. Where, as a result of the assessment referred to in paragraph 3, the Commission establishes that the milestones and targets set out in the decision referred to in Article 17(1) have not been satisfactorily implemented, the payment of all or part of the financial contribution shall be suspended. The Member State concerned may present its observations within one month of the communication of the Commission's assessment.</p>	<p>LV: (Drafting):</p> <p><u>4. Where, as a result of the assessment referred to in paragraph 3, the Commission establishes that the milestones and targets set out in the decision referred to in Article 17(1) have not been satisfactorily implemented, the payment of the related part of the financial contribution shall be suspended. The Member State concerned may present its observations within one month of the communication of the Commission's assessment.</u></p> <p>SI: (Comments):</p> <p>We do not wish for situations to emerge where the entire recovery and resilience plan would be in jeopardy because of delayed implementation of a single investment.</p> <p>MT: (Drafting):</p> <p>Where, as a result of the assessment referred to in paragraph 3, the Commission establishes that the milestones</p>

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

		and targets set out in the decision referred to in Article 17(1) have not been satisfactorily implemented, the payment of all or part of the respective financial contribution shall be suspended. The Member State concerned may present its observations within one month of the communication of the Commission's assessment.
362.		
363.	The suspension shall be lifted where the Member State has taken the necessary measures to ensure a satisfactory implementation of the milestones and targets referred to in Article 17(1).	
364.		
365.	5. By derogation from Article 116(2) of the Financial Regulation, the payment deadline shall start running from the date of the communication of the positive outcome to the Member State concerned pursuant to the second subparagraph of paragraph 3, or from the date of the communication of the lifting of a suspension pursuant to the second subparagraph of paragraph 4.	

366.		
367.	<p>6. Where the Member State concerned has not taken the necessary measures within a period of six months from the suspension, the Commission shall cancel the amount of the financial contribution pursuant to Article 14(1) of the Financial Regulation after having given the Member State concerned the possibility to present its observations within two months from the communication of its conclusions.</p>	
368.		
369.	<p>7. Where, within eighteen months of the date of the adoption of the decision referred to in Article 17(1), no tangible progress has been made in respect of any relevant milestones and targets by the Member State concerned, the amount of the financial contribution shall be cancelled pursuant to</p>	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: *6 July 2020 12:00PM CET*

	Article 14(1) of the Financial Regulation.	
370.		
371.	The Commission shall take a decision on the cancellation of the financial contribution after having given the Member State concerned the possibility to present its observations within a period of two months of the communication of its assessment as to whether no tangible progress has been made.	
372.		
373.	8. The provisions of this Article apply mutatis mutandis to the additional loan support in line with the provisions of the loan agreement referred to in Article 13, and of the decision referred to in Article 17(2).]	
374.		
375.	CHAPTER V	

376.		
377.	Reporting and Information	
378.		
379.	Article 20 Reporting by the Member State in the European Semester	DK: (Comments): <u>Support a strong link between implementation of the Facility and the European Semester.</u>
380.		
381.	The Member State concerned shall report on a quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery	PL: (Drafting): The Member State concerned shall report on a quarterly biannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans. PL: (Comments): Reporting of the progress of implementation should be less frequent in order to avoid overburdening the European Semester. LU: (Drafting): The Member State concerned shall report on an annual basis on a quarterly basis within the European Semester

	<p>and resilience plans.</p>	<p>process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports annual reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p> <p>LU: (Comments):</p> <p>This is essential to avoid a burdensome process. Annual reporting should be sufficient to get a comprehensive overview of the progress made towards the completion of the recovery and resilience plans.</p> <p>FI: (Comments):</p> <p><u>Reporting on a quarterly basis may be a relatively heavy process. However, the Commission should receive sufficient and timely information on implementation in order to make a good assessment of MS progress.</u></p> <p>PT: (Drafting):</p> <p>The Member State concerned shall report on a quarterly biannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly biannual reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p> <p>PT: (Comments):</p> <p>Same reasoning as presented in line 75.</p> <p>IE: (Drafting):</p> <p>The Member State concerned shall report on a quarterly <u>bi-annual</u> basis within the European Semester process</p>
--	------------------------------	---

	<p>on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the bi-annual quarterly reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p> <p>IE: (Comments):</p> <p>In order to avoid excessive administrative burden on Member States, bi-annual rather than quarterly reporting would be more effective and efficient.</p> <p>LT: (Comments):</p> <p>Reporting four times per year might create additional administrative burden, therefore LT suggests to lower the reporting requirement to twice a year as implementing sustainable reforms takes time and the results are not immediately visible.</p> <p>DK: (Comments):</p> <p><u>The reporting tools should be made as effective as possible. At the same time it important that the Commission receives sufficient and timely information on implementation in order to make a good assessment of Member States progress.</u></p> <p>ES: (Drafting):</p> <p>The Member State concerned shall report on a biannual quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the report of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p>
--	---

		<p>ES: (Comments):</p> <ul style="list-style-type: none"> In line with frequency of disbursements and in order to minimize the administrative burden. As explained before, quarterly reporting takes place under rehanced surveillance and it is important to set a clear difference between this facility and a macroeconomic adjustment programme. Given that disbursement requests need to be duly justified in terms of fulfilment of milestones and targets and that the National Reform Programme has to reflect the content of the quarterly reporting, information on the progress in milestones and targets would be reported seven times per year. An excessive frequency in reporting would provide the wrong signal, while not bringing much value added in terms of information since the timespan would be extremely short What will be the link of this quarterly reporting with the biannual justified requests for payments foreseen in Article 19.3? What measures does the Commission intend to avoid a burdensome? <p>BG: (Drafting):</p> <p>The Member State concerned shall report on a quarterly semi-annual/annual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly semi-annual/annual reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p> <p>BG: (Comments):</p> <p>We support the link with the Semester but should aim at simplifying the process as much as possible. In this regard, we find the reporting exercise on a quarterly basis rather burdensome and an annual or semi-annual basis have to be considered.</p>
--	--	--

		<p>SE: (Comments):</p> <p>We note the concern by many MS regarding reporting. The reporting tools should be made as easy as possible, but it is essential that COM receives sufficient and timely information on implementation in order to make a good assessment of MS progress.</p> <p>NL: (Drafting):</p> <p>The Member State concerned shall report on a quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans <u>reform plans and investment plans</u>, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans <u>reform plans and investment plans</u>.</p> <p>LV: (Drafting):</p> <p><u>The Member State concerned shall report on a bianual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</u></p> <p>AT: (Drafting):</p> <p>The Member State concerned shall report on a quarterly biannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports of the Member States shall be appropriately</p>
--	--	---

		<p>reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p> <p>CZ: (Drafting):</p> <p>“The Member State concerned shall report on a quarterlybiannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterlybiannual reports of the Member States shall...”</p> <p>CZ: (Comments):</p> <p>CZ: The Member States should not have to report so frequently as it is currently proposed - on a quarterly basis. However, such reports might be aligned with the cycle frequency of the European Semester: especially with in the National Reform Programmes - being prepared in spring and (until now voluntary) reports on their implementation - being prepared in autumn.</p> <p>RO: (Drafting):</p> <p>The Member State concerned shall report on an annual quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6).</p> <p>EL: (Drafting):</p> <p>The Member State concerned shall report on a [semi-] annual quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports of the Member States shall be</p>
--	--	--

		<p>appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p> <p>EL: (Comments):</p> <p>Quarterly reporting will dramatically increase the administrative burden, without necessarily contributing to the quality of monitoring. Moreover, it would burden the Semester to the extent that the latter would have to be dedicated exclusively to the monitoring of the recovery and resilience plans. We believe that annual reporting – similar to what is the case for cohesion policy – would be more adequate. Alternatively, we could have a semi-annual frequency, with interim reports submitted in October and full-year reports submitted in April, along with the National Reform Programmes.</p> <p>MT: (Drafting):</p> <p>The Member States concerned shall report on a bi-annual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p> <p>MT: (Comments):</p> <p>Quarterly reporting is considered exceedingly burdensome on public administrations, particularly smaller ones.</p> <p>BE: (Drafting):</p> <p>The Member State concerned shall report on a biannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the biannual reports of the Member States shall be appropriately</p>
--	--	--

		<p>reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans.</p> <p>IT: (Drafting):</p> <p>Every six months, tThe Member State concerned shall report on a quarterly basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans, including the operational arrangement referred to in Article 17(6). To that effect, the quarterly reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on progress towards completion of the recovery and resilience plans</p> <p>FR: (Drafting):</p> <p>“The Member State concerned shall report on a quarterly biannual basis within the European Semester process on the progress made in the achievement of the recovery and resilience plans [...].”</p> <p>FR: (Comments):</p> <p><i>FR: Reporting on the progress made in the achievement of the plans must be carried out at longer intervals to avoid overburdening Member States’ administrations. The reports could be annexed to the national reforms programs and the draft budgetary plans. It would be more relevant though to foresee more thorough and targeted reporting obligations everytime a Member State makes a payment request.</i></p>
382.		
383.	<p>Article 21</p> <p>Information to the European Parliament and the Council and communication on the Member</p>	<p>NL: (Drafting):</p> <p>Article 21</p> <p>Information to the European Parliament and the Council and communication on the Member States’ recovery and</p>

	States' recovery and resilience plans	resilience plans <u>reform plans and investment plans</u>
384.		
385.	1. The Commission shall transmit the recovery and resilience plans as approved in the implementing act of the Commission in accordance with Article 17 to the European Parliament and the Council without undue delay. The Member State concerned may request the Commission to redact sensitive or confidential information, the disclosure of which would jeopardise public interests of the Member State.	NL: (Drafting): 1. The Commission shall transmit the recovery and resilience plans <u>reform plans and investment plans</u> as approved in the implementing act of the Commission in accordance with Article 17 to the European Parliament and the Council without undue delay. The Member State concerned may request the Commission to redact sensitive or confidential information, the disclosure of which would jeopardise public interests of the Member State.
386.		
387.	2. The Commission may engage in communication activities to ensure the visibility of the Union funding for the financial support	NL: (Drafting): 2. The Commission may engage in communication activities to ensure the visibility of the Union funding for the financial support envisaged in the relevant recovery and resilience plan <u>reform plans and investment plan</u> ,

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

	envisaged in the relevant recovery and resilience plan, including through joint communication activities with the national authorities concerned.	including through joint communication activities with the national authorities concerned.
388.		
389.	CHAPTER VI	
390.		
391.	Complementarity, monitoring and evaluation	
392.		
393.	Article 22 Coordination and complementarity	
394.		
395.	The Commission and the Member States concerned shall, in a measure commensurate to their respective responsibilities, foster synergies and ensure effective coordination between the instruments established by this Regulation and other Union	

	programmes and instruments, and in particular with measures financed by the Union funds. For that purpose, they shall:	
396.		
397.	(a) ensure complementarity, synergy, coherence and consistency among different instruments at Union, national and, where appropriate, regional levels, in particular in relation to measures financed by Union funds, both in the planning phase and during implementation;	RO: (Drafting): ensure complementarity, synergy, coherence and consistency among different instruments at Union, national and, where appropriate, regional levels, in particular in relation to measures financed by Union funds, both in the planning phase during the programming and during the implementation;
398.		
399.	(b) optimise mechanisms for coordination to avoid duplication of effort; and	
400.		
401.	(c) ensure close cooperation between those responsible for implementation at Union, national	

	and, where appropriate, regional levels to achieve the objectives of the instruments established under this Regulation.	
402.		
403.	Article 23 Monitoring of implementation	
404.		
405.	1. The Commission shall monitor the implementation of the Facility and measure the achievement of the objectives set out in Articles 4. Indicators to be used for reporting on progress and for the purpose of monitoring and evaluation of the Facility towards the achievement of the general and specific objectives are set in Annex III. The monitoring of implementation shall be targeted and proportionate to the activities carried out under the Facility.	<p>AT: (Comments):</p> <p>The monitoring provisions (Art. 23-25) are toothless; using the financial contribution allocated to R&R Plans as an output indicator (Annex III) contrasts sharply with the principles of sound budgetary management. Output and impact shall be measured on the basis of fiscal sustainability indicators, the MIP scoreboard (which also includes social indicators) and some indicators on the green and digital transition. In addition, cost-efficiency shall be monitored. An independent third party, e.g. the IMF, shall be involved in monitoring and evaluation.</p>

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

406.		
407.	2. The performance reporting system shall ensure that data for monitoring the implementation of the activities and results are collected efficiently, effectively, and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funding.	SE: (Drafting): The performance reporting system shall ensure that data for monitoring the implementation of the activities and results are collected efficiently, effectively, and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funding. <u>All data of individuals needs to be age and sex-disaggregated</u>
408.		
409.	Article 24 Annual report	
410.		
411.	1. The Commission shall provide an annual report to the European Parliament and the Council on the implementation of the Facility set out in this Regulation.	
412.		

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

413.	2. The annual report shall include information on the progress made with the recovery and resilience plans of the Member States concerned under the Facility.	NL: (Drafting): 2. The annual report shall include information on the progress made with the recovery and resilience plans <u>reform plans and investment plans</u> of the Member States concerned under the Facility.
414.		
415.	3. The annual report shall also include the following information:	
416.		
417.	(a) The volume of the proceeds assigned to the Facility under the European Union Recovery Instrument in the previous year, broken down by budget line, and	
418.		
419.	(b) the contribution of the amounts raised through the European Union Recovery Instrument to the achievements of the objectives of the Facility.	
420.		

421.	4. For the purpose of the reporting on the activities referred to in paragraph 2, the Commission may use the content of the relevant documents officially adopted by the Commission under the European Semester as appropriate.	
422.		
423.	Article 25 Evaluation and ex-post evaluation of the Facility	
424.		
425.	1. Four years after the entry into force of this Regulation, the Commission shall provide the European Parliament, and the Council, the European Economic and Social Committee and the Committee of the Regions with an independent evaluation report on its implementation and with an	<p>FI: (Drafting):</p> <p><u>1. TwoFour years after the entry into force of this Regulation, the Commission shall provide the European Parliament, and the Council, the European Economic and Social Committee and the Committee of the Regions with an independent evaluation report on its implementation and with an independent ex post evaluation report no later than three years after the end of 20275.</u></p> <p>FI: (Comments):</p> <p><u>The facility should only finance activities related to the crisis.</u></p>

	<p>independent ex post evaluation report no later than three years after the end of 2027.</p>	<p>DK: (Drafting):</p> <p><u>1. The period of availability of financial assistance from the Facility during which a decision referred to in Article 17 may be adopted shall end on 31 December 2022.</u></p> <p>1. Four years after the entry into force of this Regulation, the Commission shall provide the European Parliament, and the Council, the European Economic and Social Committee and the Committee of the Regions with an independent evaluation report on its implementation and with an independent ex post evaluation report no later than three years after the end of 2027<u>2023</u>.</p> <p>DK: (Comments):</p> <p><u>As stated above, the sunset clause should be activated by the end of 2022, and no financial assistance should be possible from 2023. This should also lead to an earlier evaluation.</u></p> <p>SE: (Drafting):</p> <p>Four<u>Two</u> years after the entry into force of this Regulation, the Commission shall provide the European Parliament, and the Council, the European Economic and Social Committee and the Committee of the Regions with an independent evaluation report on its implementation and with an independent ex post evaluation report no later than three years after the end of 2023<u>37</u>.</p> <p>SE: (Comments):</p> <p>The facility should only finance activities related to the crisis and therefore during a shorter time-period. This should also lead to an earlier evaluation and ex post evaluation.</p>
426.		

427.	2. The evaluation report shall, in particular, assess to which extent the objectives have been achieved, the efficiency of the use of resources and the European added value. It shall also consider the continued relevance of all objectives and actions.	
428.		
429.	3. Where appropriate, the evaluation shall be accompanied by a proposal for an amendments to this Regulation.	<p>FI: (Drafting):</p> <p><u>3. Where appropriate, the evaluation shall be accompanied by a proposal for an amendments to this Regulation.</u></p> <p>FI: (Comments):</p> <p><u>We do not see any need to amend the regulation due to its temporary nature.</u></p> <p>DK: (Drafting):</p> <p>3. Where appropriate, the evaluation shall be accompanied by a proposal for an amendments to this Regulation.</p> <p>DK: (Comments):</p> <p><u>This provision is not necessary since the Facility should be a crisis instrument that expires in 2022.</u></p>

		<p>SE: (Drafting):</p> <p>Where appropriate, the evaluation shall be accompanied by a proposal for an amendments to this Regulation.</p> <p>SE: (Comments):</p> <p>This is not necessary as RRF should be a one off 2-year facility.</p> <p>AT: (Drafting):</p> <p>3. — Where appropriate, the evaluation shall be accompanied by a proposal for an amendments to this Regulation.</p> <p>AT: (Comments):</p> <p>The Facility shall be a one-time instrument to address the consequences of the COVID-19 crisis; it shall expire on 31 December 2022.</p> <p>EL: (Drafting):</p> <p>3. Where appropriate, the evaluation shall be accompanied by a proposal for an amendments to this Regulation.</p> <p>EL: (Comments):</p> <p>Grammatical correction.</p>
430.		
431.	4. The ex-post evaluation	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: *6 July 2020 12:00PM CET*

	report shall consist of a global assessment of the instruments established by this Regulation and shall include information on its impact in the long-term.	
432.		
433.	CHAPTER VII	
434.		
435.	Communication and final provisions	
436.		
437.	Article 26 Information, communication and publicity	
438.		
439.	1. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding, in particular when promoting the actions and their results, by providing coherent,	

	effective and proportionate targeted information to multiple audiences, including the media and the public.	
440.		
441.	2. The Commission shall implement information and communication actions relating to the instruments established by this Regulation, its actions and its results. Financial resources allocated to the instruments established by this Regulation shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the objectives referred to in Articles 4.	<p>LU: (Drafting):</p> <p>The Commission shall implement information and communication actions relating to the instruments established by this Regulation, its actions and its results, in cooperation with the Member States. Financial resources allocated to the instruments established by this Regulation shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the objectives referred to in Articles 4.</p> <p>LU: (Comments):</p> <p>Communciation efforts on the actions and the results should happen in close cooperation with the Member States.</p>
442.		
443.	[Article 27 Committee procedure]	<p>DK: (Comments):</p> <p><u>We are open to explore a stronger role for the Council in decisions under the Facility.</u></p> <p><u>For example, a stronger role for Council in decisions on R&R plans and decisions to disburse financial assistance. We need clear and transparent pre-agreed criteria to guide such decisions.</u></p>

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

444.		
445.	1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.	<p>FR: (Comments):</p> <p><i>FR: The comitology procedure envisaged for the approval of the plan is appropriate. However, a more flexible process should be foreseen for the disbursement decisions: the Commission would decide whether to disburse the funds with a possibility to revert to the committee in case the Commission finds a Member State in “serious risk of failing to meet the objectives and milestones pertaining to their plan.” The committee would then issue an opinion on the Commission draft disbursement decision.</i></p> <p><i>[the position of the French authorities on the proposal of the Presidency n°9382/20 will be expressed during the Coreper.]</i></p>
446.		
447.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.]	<p>IT: (Drafting):</p> <p>Where reference is made to this paragraph, Article 5 Article 4 of Regulation (EU) No 182/2011 shall apply.</p>
448.		
449.	Article 28 Entry into force	
450.		
451.	This Regulation shall enter into force on the following day	

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: **6 July 2020 12:00PM CET**

	following that of its publication in the <i>Official Journal of the European Union</i> .	
452.		
453.	This Regulation shall be binding in its entirety and directly applicable in all Member States.	
454.		<p>SE: (Drafting):</p> <p><u>This regulation shall cease to exist on 1 January 2025.</u></p> <p>SE: (Comments):</p> <p>As this is a crisis measure there should be a sunset clause. The facility should cease to exist two years after the final commitments (as disbursements are possible for up to n+2 years).</p>
455.	Done at Brussels,	
456.		
457.	For the European Parliament For the Council	
458.		

Proposal for a REGULATION establishing a Recovery and Resilience Facility - 2020/0104 (COD)

Deadline: ***6 July 2020 12:00PM CET***

459.	The President The President	
460.		End