State of play of the approval of National Recovery and Resilience Plans by the EU institutions – October 2021

The official deadline for the submission of the NRRPs to the European Commission was 30 April 2021. However, some delays have been allowed upon specific request by the MS. As by the Recovery and Resilience Facility Regulation (RRF), after the official submission of each NRRP, the European Commission has two months for its approval. Once it has approved the NRRP, it will propose an Implementing Decision to the Council for final endorsement. The Council has four weeks to adopt the EC proposal. The European Parliament can express its opinion on the approved NRRPs in the Multi-stakeholder dialogue with the EC. The Commission holds regular exchanges with the Recovery and Resilience Facility Working Group of the EP on various topics.

Last 6th October during the European Parliament Plenary session in Strasbourg, Paolo Gentiloni, EU Commissioner for Economy, coordinating the implementation of the Sustainable Development Goals in the context of the European Semester, has updated on the State of play of the submitted RRF recovery plans awaiting approval.

1. State of play
The Commission has by now approved 22 out of the 25 plans submitted.

The Commission aims at completing the assessment of the three remaining plans as soon as possible and is working closely with the MS.

**Bulgaria and the Netherlands** have not yet submitted their plans, the assessment of the **Polish, the Hungarian and the Swedish plans** is ongoing.


The link contains:

- The EC's press release on the endorsement of each NRRP
- The Proposal for a Council Implementing decision of the approval of the assessment of the NRRP
- The EC Staff Working Document with the analysis of the NRRP
- The Country fact sheets
- Q&A on the NRRP

The Commission’s assessments available so far (EUKI project countries):

- **Czechia**
- **Latvia**
- **Romania**
- **Slovenia**
- **Slovakia**
2. **RRF principles** *(extracts of important statements concerning rule of law, protection of EU budget and role of civil society in the scrutiny and implementation - “ownership”)*

- Commissioner Gentiloni reminded that the RRF is based on three principles: ownership, accountability and transparency.

- **Accountability:** the success of the Facility will be measured against the *effective use of taxpayers’ money* and its ability to deliver a lasting improvement to our economic and social resilience, and our sustainable growth potential.

- The *reform and investment commitments – the milestones and targets under the NRRPs* – will serve as the yardstick for their implementation and must be right. They are the standards against which we will be held accountable.

- The RRF, *as all other EU funds*, must be implemented in accordance with the Financial Regulation and the Regulation on a general regime of conditionality for the protection of the Union budget.

- The EC takes the **protection of the EU’s financial interests very seriously**

- The RRF Regulation provides eleven assessment criteria that ensure that *only plans of high quality are approved*. The robustness of the national control system is a key assessment criteria. Plans will be either approved or rejected based depending on whether *adequate remedial measures* are taken with immediate effect.
• For 16 Member States, the Council implementing decisions provide for specific milestones in relation to **control systems**.

• Those milestones are of special nature in that they need to be fulfilled before the first regular payment requests can be made (so with the exception of pre-financing).

• They concern a wide range of issues, such as anti-corruption, anti-fraud, access to data or simply proper administrative capacity of the audit body.

• In addition to this, and on top of the requirements that fall on the Member States to correct serious irregularities and ensure compliance with EU and national law, the **Commission will ensure a very high level of control and audit throughout the implementation of the Facility**.

• He reminded what the President Ursula von der Leyen said in the State of the Union: “**The European budget is the future of our Union cast in figures. That is why it must be protected. We need to ensure that every euro and every cent is spent for its proper purpose and in line with rule of law principles.**”

• **Ownership**: The recovery and resilience plans are a new exercise that rests on a combination of strong national ownership and commitment to embrace our joint challenges – the green and the digital transitions – together.

• Member States design their own recovery and resilience plans but they have to make sure that the reforms and investments therein are anchored in the common policy priorities and the country-specific recommendations agreed in the framework of the European Semester.
• Some country-specific recommendations are essential for a successful implementation of the plans, such as reforms to improve the business and administrative climate and to increase the absorption capacity.

• Ownership does not stop at the national level. The implementation of the recovery and resilience plans can only succeed with strong regional and local ownership, as well as support from social partners and civil society at every stage of the implementation. The EC has communicated this clearly to Member States.

• The Commission strives to uphold the rule of law. The Union needs to be a place where everyone is held accountable and corruption is fought, where the financial interests of the EU are protected, where all – people and businesses alike – are equal under the law, and where the independence of the judiciary is ensured. The EC has concerns about the situation in some Member States.

• The Commission will continue to act with determination to defend the EU’s principles and values with full respect for our legal frameworks.

• The Recovery and Resilience Facility is about promoting the green and digital transitions, making the Union more resilient and our next generation fit for future challenges. But these efforts can only gain traction if we ensure that our next generation can thrive.

3. Implementation of the NRRPs
The Council has given its **greenlight for 19 plans**.

- More than EUR 51 billion of pre-financing have been paid to the first 16 Member States
- The first regular payment requests are expected still this year. This requires that a Member State has fully met the reform and investment commitments that are linked to the respective instalment and provides the underlying evidence. In this regard, the Commission will share with the Parliament the findings on the preliminary assessment in relation to the satisfactory fulfilment of milestones and targets.
- The implementation of the Recovery and Resilience Facility will continue to be a large enterprise.
- It will require **close monitoring of the implementation of the reforms and investments on the ground**. This will need close cooperation between the Commission and Member States, and even wider.
- The EC **counts on stakeholders across all levels to become actors in the implementation** – by reflecting on specific features and design of the measures, and **checking that they hold up to the commonly agreed standards**. They will be important allies to make sure the RRF lives up to expectations.
- **Public oversight is paramount.** For this, as a first step, **we need to create public awareness for the Facility**. This requires **strong communication at both the national and European level**. We need to ensure visibility of the individual projects, investments and reforms funded under the
Recovery and Resilience Facility. We must show the added-value of NextGenerationEU on the ground.

4. Next steps

In addition to the regular dialogues with the Parliament, the EC will continue to provide a courtesy translation and an overview of the plans received, as well as a summary of its assessment once the proposals for Council implementing decisions are adopted.