



## European Commission - Speech [Check Against Delivery]



### **Remarks by Commissioner Gentiloni at the press conference on the Recovery and Resilience Facility**

Brussels, 28 May 2020

Good morning. As you know, I have been calling for a few weeks for an economic response that is up to the challenge we face: the worst economic shock since the Great Depression, with devastating consequences for millions of our citizens and businesses, and of course, with the potential to deepen the economic and social divergence – the risk of a Great Fragmentation.

So let me start by saying I am absolutely convinced that the package agreed by the College and presented by President von der Leyen yesterday is exactly the strong, ambitious response that we need.

It is solid, because it is based on a solid assessment of the needs from a macro and microeconomic point of view.

It is realistic because it is able to be a good basis for the necessary agreements among Member States and with the Parliament.

The key innovation of our package is the €750 billion recovery instrument, Next Generation EU. The centrepiece of Next Generation EU is the Recovery and Resilience Facility just adopted.

This Facility will offer large-scale financial support for both public investments and reforms. It will help Member States to both mitigate the economic and social impact of the crisis and address the longer-term challenges.

Our aim here is to help our Member States to become more resilient in the broadest sense.

I want to be very clear: this is not about conditionality and intrusion from Brussels. This Facility is voluntary, it puts national reform plans centre stage. It is about Member States taking ownership of strengthening their own growth and social fabric and making it coherent with our priorities, first of all the green and digital transitions

Of course, the grant support is linked to the successful implementation of policies. The Member State will formulate its priorities in a draft Recovery and Resilience Plan, taking into account the findings of the European Semester, as well as national energy and climate plans and just transition plans.

When we start implementing this new tool, I want to ensure that we do so as a partnership between each Member State and the Commission.

It will be a challenge also for us, for the Commission and its services, to have this new tool and to build this partnership.

Member States should submit recovery and resilience plans to the Commission in April, as an annex to their national reform programme – but if they wish, they can already submit a draft together with their national draft budget in October. That would certainly help us to provide support more quickly. We encourage this opportunity.

Given the obvious need to deploy these funds as swiftly as possible, our proposal specifies that at least 60% of grant money should be legally committed by the end of 2022, with the remainder by the end of 2024. Loan support should be requested by the end of 2024 at the latest.

The Commission will assess the plans, on the basis of transparent criteria: we will look at:

- whether they effectively address the relevant challenges identified in the European Semester – we presented them a couple of weeks ago in our spring package;
- whether they contribute to strengthening growth potential and resilience and to enhancing cohesion;
- and whether they contain measures that significantly contribute to addressing the green and the digital transitions.

Provided that the assessment criteria are fulfilled, the Commission will adopt a decision setting out the financial contribution that the Member State will benefit from (a grant and, if so requested, loan), and the milestones and timetable for implementation.

Let me conclude by saying that I think that yesterday was a defining moment for the Commission, and I hope for Europe. We often repeat that crises also provide opportunities.

We had an unexpected and terrible crisis. We should never forget its victims. We should not underestimate its economic consequences. But EU institutions, this time, reacted fast and strongly, and with the right level of ambition. Those who support the European project, and it is the large majority of our citizens, are asking now to seize the opportunity of Next Generation EU.

Thank you.

SPEECH/20/960

Press contacts:

[Marta WIECZOREK](#) (+32 2 295 81 97)

[Enda MCNAMARA](#) (+32 2 296 49 76)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)