



Recovery and Resilience Plans: state of play / follow up and European Semester 2022 outlook

16th meeting of the Expert Group Greening the European Semester /
Environmental Implementation Review

13 October 2021

Recap & state of play

RRF main features

Functioning

- National recovery and resilience plans **with reforms and investments** for the years up to mid-2026.
- Member States present plans by **30 April 2021 as a rule**
- Payments in instalments, when **milestones and targets are met**
- Member States **report twice a year** in the framework of the European Semester

Grants and Loans

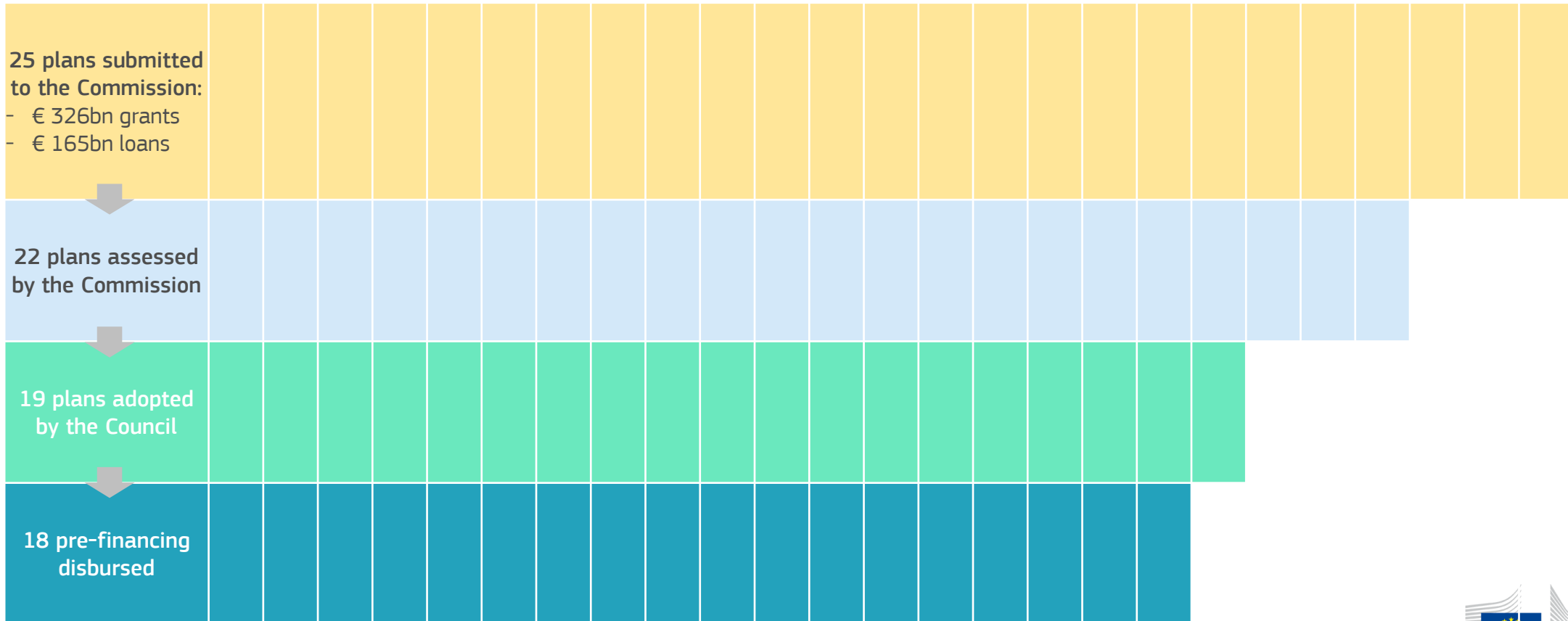
- **Grants:** €312.5 billion
- **Loans:** €360 billion
- Maximum allocation according to agreed key
- **Pre-financing of up to 13%** available in 2021

Assessment Criteria

- Appropriate contribution to the 6 pillars
- **Climate transition: 37%**
- **Digital transformation: 20%**
- Addressing **country-specific recommendations**
- Appropriate balance between **reforms and investments**
- **Do no significant harm (DNSH) principle for all reforms and investments**
- **Solid audit and control system** to ensure that the financial interests of the Union are protected

State of play | RRP

BE CY DE DK EL ES FR IT LU LT LV PT SI HR CZ IE AT SK MT RO FI EE PL HU SE BG NL



Climate & environment

Green transition

Around **40%** (€177bn) of total allocation¹ is tracked as contributing to climate objectives

In broader terms, **43%** (€192bn) is tracked as contributing to green objectives



Key investments

- Sustainable mobility (€64bn)
- Renovation and energy efficiency (€50bn)
- Clean power and networks (€30bn)
- Biodiversity and climate change adaptation (€17bn)
- Circular economy and water management (€15bn)

Key reforms

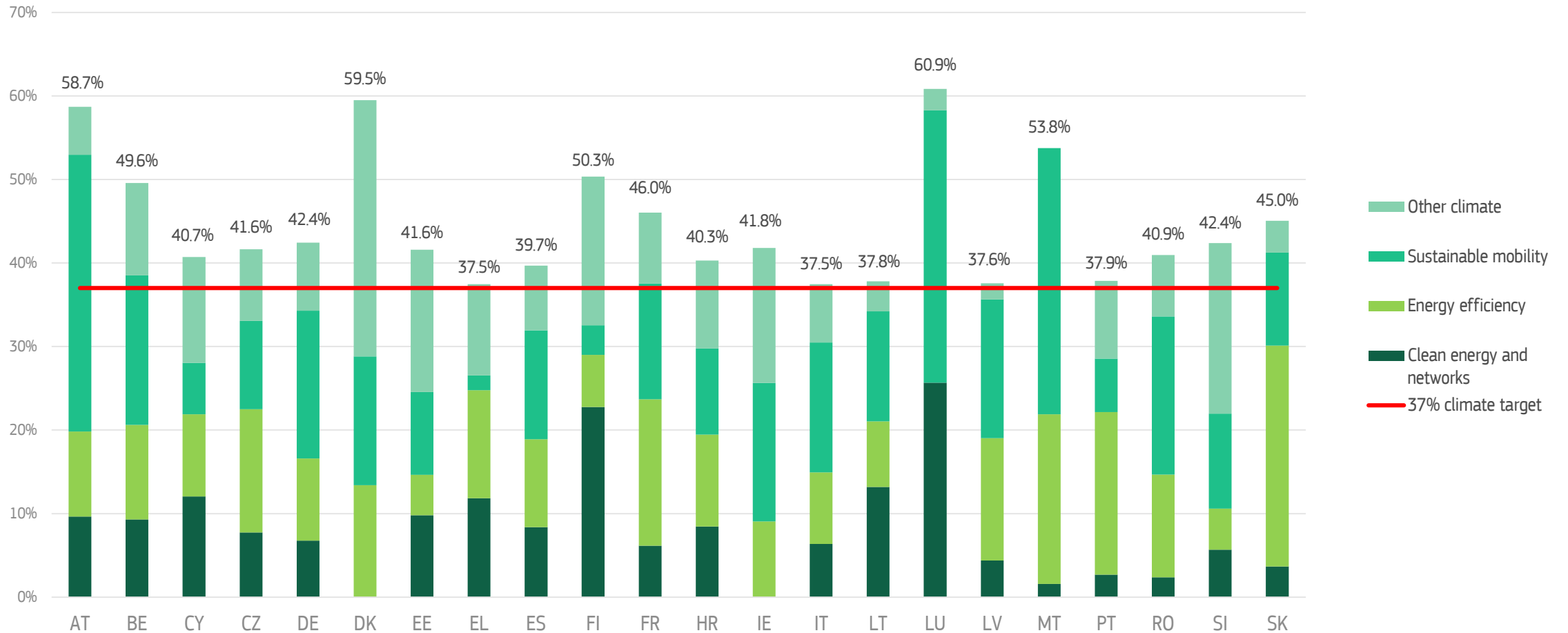
- Promote inter-modality and tax incentives for clean vehicles
- Facilitate deployment of renewable energy
- Water and waste management and nature conservation
- Permitting and environmental taxation

Cross-border projects

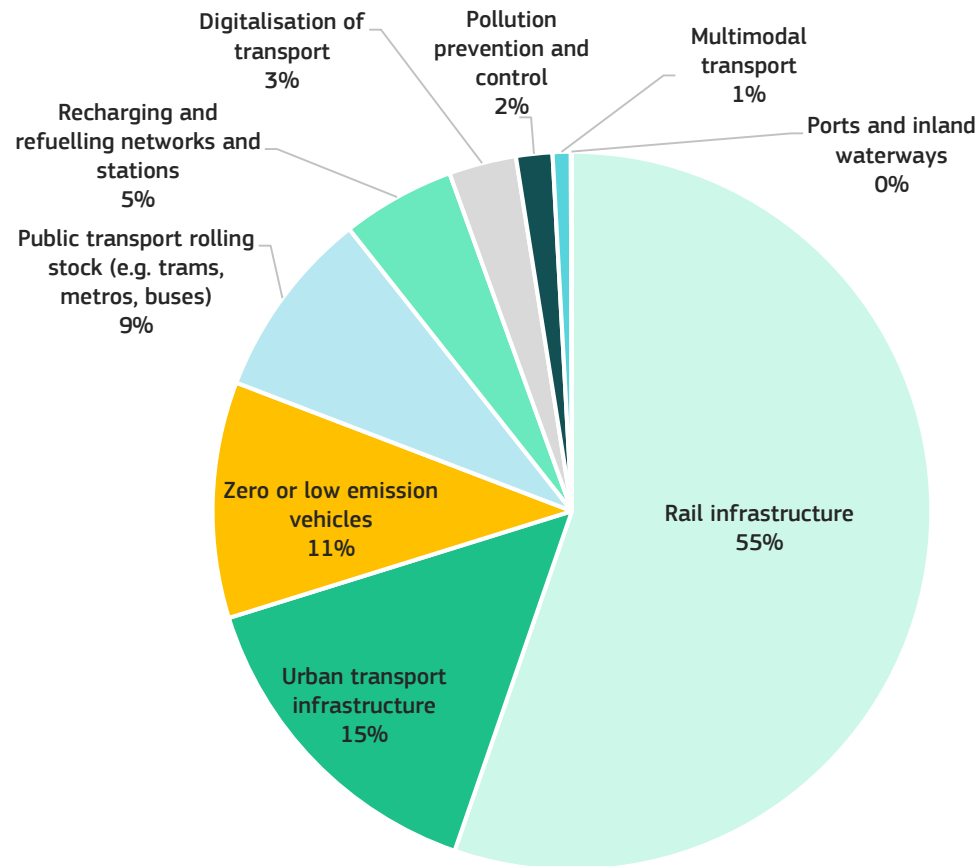
- TEN-T rail corridors
- Hydrogen
- Batteries

¹ Based on 22 assessed RRP by Commission, equivalent to €445bn

Climate contribution in the 22 assessed plans



Sustainable mobility



* Based on climate coefficients

- Around **€64bn*** (in 22 out of 22 plans)

Investments

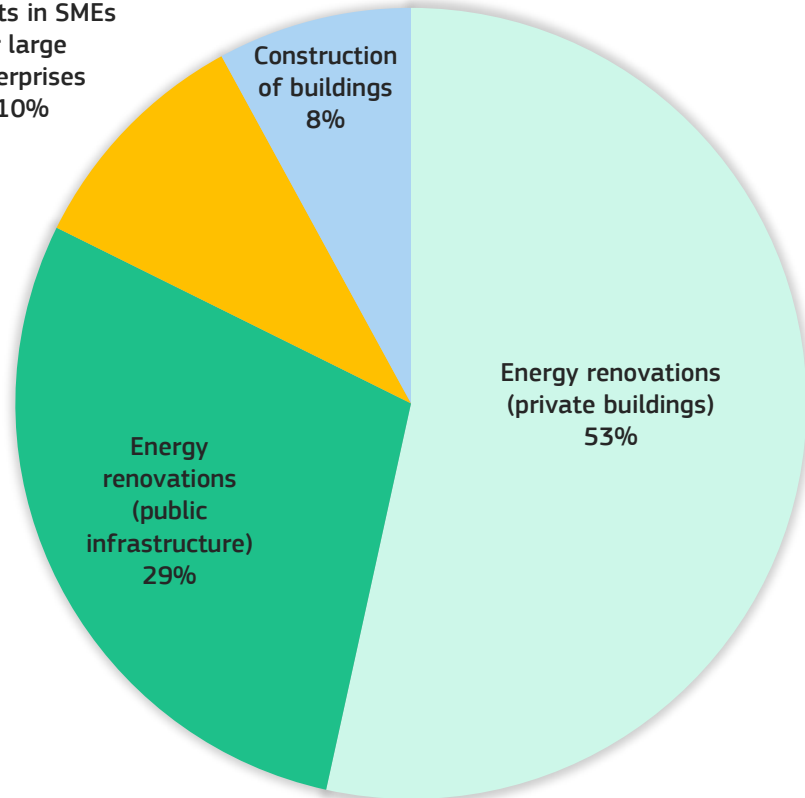
- More than 50% of the investments go to the construction and modernisation of (electrified) rail
- **Urban transport** infrastructure and rolling stock
- Support to **e-mobility**:
 - ✓ Recharging and refuelling stations
 - ✓ Zero and low emission vehicles

Reforms

- Promotion of **intermodality**
- **Tax incentives** for clean vehicles

Energy efficiency

Energy efficiency projects in SMEs or large enterprises
10%



* Based on climate coefficients

- Around **€50bn*** (in 21 out of 22 plans)

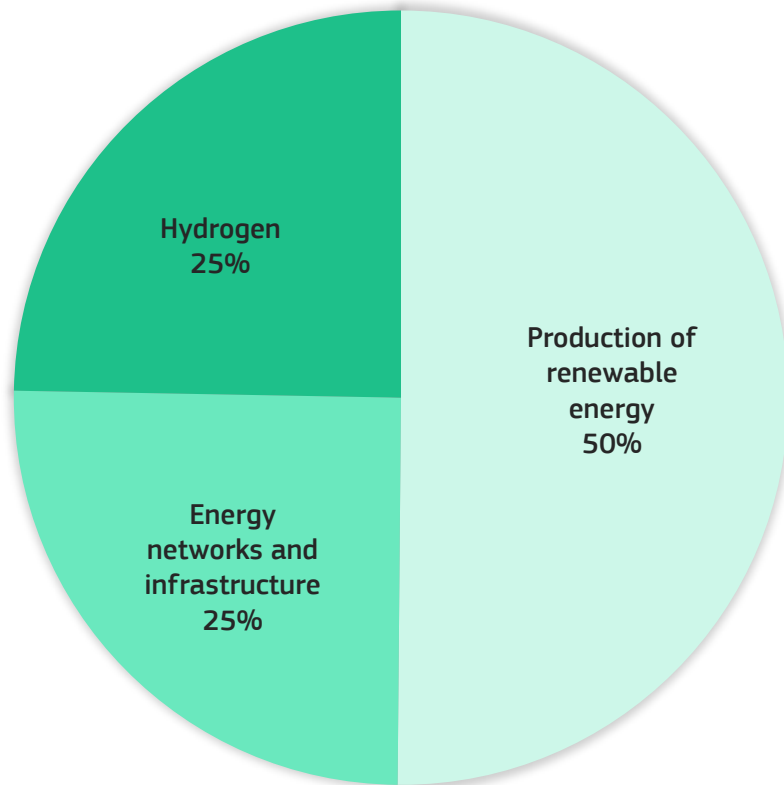
Investments

- **Energy renovations of private and public buildings**
 - ✓ Social housing (i.a. to combat energy poverty)
 - ✓ Schools, historical buildings
- **Construction of new highly energy efficient buildings**
 - ✓ Hospitals, early child care facilities
 - ✓ Housing for people living in undignified conditions
- **Energy efficiency in SMEs & large enterprises**

Reforms

- **Phase out of outdated heating systems**
- **One-stop shops for buildings renovations**

Clean power and networks



* Based on climate coefficients

- Around **€30bn*** (in 20 out of 22 plans)

Investments

- Production of **renewable energy** (solar, offshore and onshore wind, biofuels)
- **Hydrogen** (often as IPCEI)
- **Energy networks and infrastructure**

Reforms

- **Reform of energy markets** to facilitate the deployment of renewable energy

Biodiversity & climate change adaptation

Biodiversity

- Around **€5bn*** (in 13 out of 22 plans)

Investments

- Restoration and preservation of wetlands and forests
- Conservation of terrestrial and marine biodiversity
- Green infrastructure

Climate change adaptation

- Around **€12bn*** (in 15 out of 22 plans)

Investments

- Forest management / forest fire protection
- Flood protection measures to increase water retention capacity
- ✓ Many of the climate adaptation measures **directly contribute to biodiversity** by using nature-based solutions

Respect of the DNSH principle shall take into account the **protection and restoration of biodiversity & climate change adaptation**

* Based on climate coefficients

Circular economy & water management

Circular economy

- Around **€7bn*** (16 out of 22 plans)

Investments

- Waste management (creation of reuse centres, modernisation of waste sorting facilities)
- Increase circularity of specific sectors (plastics, construction, textiles)
- R&D to develop longer-term solutions

Water management

- Around **€8bn*** (10 out of 22 plans)

Investments

- Sewage sludge treatment facilities
- Construction and renovation of drinking water treatment plants
- Water management using digital solutions

Respect of the DNSH principle shall take into account the **transition to a circular economy & sustainable use and protection of water and marine resources**

* Based on climate coefficients

DNSH implementation

Do no significant harm (DNSH) under the RRF

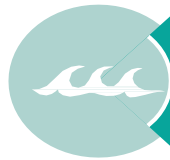
Check that all RRP measures do not significantly harm any of the 6 environmental objectives, also during implementation phase



Climate change mitigation



Climate change adaptation



Sustainable and protection of
water and marine



Transition to a circular economy



Pollution prevention and control



Protection and restoration of
biodiversity and ecosystems

DNSH implementation

- DNSH safeguards enshrined in the CID Annex, both in the description of relevant measures and the description of milestones/targets
- DNSH compliance will – where relevant – also form part of the means of verification and monitoring indicators in the **Operational Arrangements**
- Wherever the milestone/target (and/or where applicable the CID text) includes specific DNSH conditions, these will form part of the assessment of the **satisfactorily fulfilment of the milestone/target**
- DNSH compliance can also form part of **audits and controls**

European Semester

Outlook to the 2022 Semester

- The RRF and the European Semester are **intrinsically linked and complement each other**
- The **Semester will take into account the RRF implementation**, use existing synergies and avoid double reporting
- The RRF makes it necessary to **adapt the European Semester**
 - **National Reform Programmes** used for one of the twice-yearly reports by MSs under the RRF
 - **Country Reports will be resumed**: to analyse remaining or emerging challenges, take stock of implementation of RRPs, and monitor progress made towards achieving the Sustainable Development Goals (SDGs)
 - **Country-specific recommendations on a needs basis**: to cover emerging challenges and/or challenges unaddressed by the RRPs

Thank you!



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