



European  
Commission

# RECOVERY AND RESILIENCE FACILITY: HELPING EU COUNTRIES TO COME OUT OF THE CORONAVIRUS CRISIS STRONGER

*#EUSolidarity #StrongerTogether*

The outbreak of the coronavirus pandemic has changed the economic outlook for the years to come in the European Union. Investments and reforms are needed more than ever to ensure convergence and a sustainable economic recovery. Carrying out reforms and investing in the EU's common priorities, notably green, digital and social resilience will help create jobs and sustainable growth, while modernising our economies, and allow the Union to recover in a balanced, forward-looking and sustained manner.

The recovery strategies of EU countries should:

- Address the main challenges they are facing identified in the European Semester, in areas such as competitiveness, productivity, education and skills, health, employment, and economic, social and territorial cohesion.
- Ensure adequate focus of these investments and reforms on the challenges related to the green and digital transitions, to help create jobs and sustainable growth and make the Union more resilient.



With the Recovery and Resilience Facility, the European Commission wants to support EU countries in those reform efforts.

## 1 WHAT?

The Recovery and Resilience Facility consists of large scale financial support to both public investments and reforms, notably in green and digital, which make EU countries' economies more resilient and better prepared for the future.

The support will take the form of **up to €310 billion in grants and up to €250 billion in loans**. The Facility will be demand-driven and powered by **an emergency European Recovery Instrument, 'Next Generation EU', amounting to €750 billion**, which will temporarily boost the financial firepower of the EU budget by enabling the EU budget to raise additional financing on the financial markets.

# 2 HOW?



EU support will be anchored in national **Recovery and Resilience Plans**, which should be submitted to the Commission.

If the assessment criteria are fulfilled, Member States will be able to **receive grants with the possibility to complement with loans**:



### Grants:

Maximum allocation for each EU country, depending on population, GDP per capita and unemployment rate.



### Loans:

- Maximum volume of the loan for each Member State of up to 4.7% of its Gross National Income.
- Loans can be requested together with the plan, or at a different moment in time accompanied by a revised plan.



**Grants and loans will be paid in instalments**, following the fulfilment of milestones and targets.



**Technical support** can be requested for the preparation and implementation of the recovery and resilience plans through the Technical Support Instrument.