



# The EU Recovery Facility and green transition

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## 2019 Commission Communication:

### **“The European Green Deal”**

- 1 of 6 Commission priorities for 2019-2024
- a set of policy initiatives with the overarching aim of making Europe climate neutral in 2050
- the twin challenge of the green and the digital transformation; upskilling and reskilling

## COVID-19 Crisis

- uneven impact on different sectors and across Member States
- EU industrial ecosystems rely on complex supply chains spread across several Member States



# Investment needs

## Basic macroeconomic investment gaps due to the crisis

- EUR €846 billion cumulative drop in investment in 2020 and 2021 taken together

## Investment needs irrespective of the crisis (Green/Digital transition)

- Approx. €595 billion per year
- It is not possible to quantify all green investment needs at the current stage



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# Reinforced EU Budget

## **SURE/ESM Pandemic Crisis Support/EIB Guarantee Fund**

- **EUR 540 billion**
- **3 safety nets for workers, businesses and sovereigns - endorsed by the European Council on 23 April**

## **Next Generation EU**

- **EUR 750 billion**
- **Temporarily lifting the own resources ceiling to 2.00% of EU GNI**
- **Funds channeled through EU programmes**

## **Multiannual Financial Framework 2021-2027**

- **Reinforced MFF - EUR 1100 billion**

# Policies

**European Green Deal**

**A fair and inclusive recovery for all**

**A deeper and more digital Single Market**

# Next Generation EU - 3 Pillars – investing in green, digital and resilient Europe

## Supporting Member States to recover

- Recovery and Resilience facility
- REACT-EU
- Reinforced rural development programmes
- Reinforced Just Transition Mechanism

## Kick-starting the economy and helping private investment

- Solvency Support Instrument
- Strategic Investment Facility
- Strengthened InvestEU programme

## Learning the lessons from the crisis

- New Health programme
- Reinforced rescEU
- Reinforced programmes for research, innovation and external action



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# Recovery and Resilience Facility



# FINANCIAL SUPPORT TO BOTH PUBLIC INVESTMENTS AND REFORMS

**€672.5**  
billion

Up to

**€312.5**  
billion

in grants

Up to

**€360**  
billion

in loans

- Investment and reforms including green and digital transition
- Implementing Member States recovery and resilience plans in line with European Semester
- Available to all Member States, focus on hardest hit countries



2020 Commission Communication:

## **“2021 Annual Sustainable Growth Strategy”**

- launching the European Semester
- national recovery and resilience plans (a minimum of 37% of expenditure related to climate and a minimum of 20% of expenditure related to digital)
- 7 European Flagships – Renovate, Reskill and upskill



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# KEY STEPS

SUBMISSION  
OF DRAFT  
RECOVERY AND  
RESILIENCE  
PLANS

AS OF  
15 OCTOBER

DIALOGUE  
BETWEEN THE  
COMMISSION  
AND THE  
MEMBER STATES  
ON THE PLANS

FOLLOWING THE  
SUBMISSION

SUBMISSION  
OF RECOVERY  
AND  
RESILIENCE  
PLANS

FROM ENTRY  
INTO FORCE OF  
THE RRF

COMMISSION  
ASSESSMENT  
OF THE PLANS

WITHIN 2  
MONTHS

COUNCIL  
APPROVAL OF  
THE PLANS

WITHIN 4 WEEKS

MEMBER STATES  
PRESENT  
REQUEST FOR  
DISBURSEMENT

UPON MEETING  
MILESTONES  
AND TARGETS

COMMISSION  
ASSESSMENT OF  
THE REQUESTS

WITHIN 2  
MONTHS



Thank you for your attention!

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