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**► B REGULATION (EU) 2021/241 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**  
**of 12 February 2021**  
**establishing the Recovery and Resilience Facility**  
(OJ L 57, 18.2.2021, p. 17)

Corrected by:

► C1 Corrigendum, OJ L 410, 18.11.2021, p. 197 (2021/241)



**REGULATION (EU) 2021/241 OF THE EUROPEAN PARLIAMENT  
AND OF THE COUNCIL**

**of 12 February 2021**

**establishing the Recovery and Resilience Facility**

CHAPTER I

**GENERAL PROVISIONS AND FINANCING**

*Article 1*

**Subject matter**

This Regulation establishes the Recovery and Resilience Facility (the ‘Facility’).

It lays down the objectives of the Facility, its financing, the forms of Union funding under it and the rules for providing such funding.

*Article 2*

**Definitions**

For the purposes of this Regulation, the following definitions apply:

- (1) ‘Union funds’ means funds covered by a Regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Border Management and Visa Instrument (the ‘Common Provisions Regulation for 2021-2027’);
- (2) ‘financial contribution’ means non-repayable financial support under the Facility that is available for allocation or that has been allocated to a Member State;
- (3) ‘European Semester’ means the process set out in Article 2-a of Council Regulation (EC) No 1466/97 <sup>(1)</sup>;
- (4) ‘milestones and targets’ means measures of progress towards the achievement of a reform or an investment, with milestones being qualitative achievements and targets being quantitative achievements;
- (5) ‘resilience’ means the ability to face economic, social and environmental shocks or persistent structural changes in a fair, sustainable and inclusive way; and
- (6) ‘do no significant harm’ means not supporting or carrying out economic activities that do significant harm to any environmental objective, where relevant, within the meaning of Article 17 of Regulation (EU) 2020/852.

<sup>(1)</sup> Council Regulation (EC) No 1466/97 of 7 July 1997 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies (OJ L 209, 2.8.1997, p. 1).



### *Article 3*

#### **Scope**

The scope of application of the Facility shall refer to policy areas of European relevance structured in six pillars:

- (a) green transition;
- (b) digital transformation;
- (c) smart, sustainable and inclusive growth, including economic cohesion, jobs, productivity, competitiveness, research, development and innovation, and a well-functioning internal market with strong SMEs;
- (d) social and territorial cohesion;
- (e) health, and economic, social and institutional resilience, with the aim of, inter alia, increasing crisis preparedness and crisis response capacity; and
- (f) policies for the next generation, children and the youth, such as education and skills.

### *Article 4*

#### **General and specific objectives**

1. In line with the six pillars referred in Article 3 of this Regulation, the coherence and synergies they generate, and in the context of the COVID-19 crisis, the general objective of the Facility shall be to promote the Union's economic, social and territorial cohesion by improving the resilience, crisis preparedness, adjustment capacity and growth potential of the Member States, by mitigating the social and economic impact of that crisis, in particular on women, by contributing to the implementation of the European Pillar of Social Rights, by supporting the green transition, by contributing to the achievement of the Union's 2030 climate targets set out in point (11) of Article 2 of Regulation (EU) 2018/1999 and by complying with the objective of EU climate neutrality by 2050 and of the digital transition, thereby contributing to the upward economic and social convergence, restoring and promoting sustainable growth and the integration of the economies of the Union, fostering high quality employment creation, and contributing to the strategic autonomy of the Union alongside an open economy and generating European added value.

2. To achieve that general objective, the specific objective of the Facility shall be to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans. That specific objective shall be pursued in close and transparent cooperation with the Member States concerned.

### *Article 5*

#### **Horizontal principles**

1. Support from the Facility shall not, unless in duly justified cases, substitute recurring national budgetary expenditure and shall respect the principle of additionality of Union funding as referred to in Article 9.

2. The Facility shall only support measures respecting the principle of 'do no significant harm'.



#### *Article 6*

##### **Resources from the European Union Recovery Instrument**

1. Measures referred to in Article 1 of Regulation (EU) 2020/2094 shall be implemented under the Facility:

- (a) through an amount of up to EUR 312 500 000 000 as referred to in point (ii) of Article 2(2)(a) of Regulation (EU) 2020/2094 in 2018 prices, available for non-repayable financial support, subject to Article 3(4) and (7) of Regulation (EU) 2020/2094.

As provided for in Article 3(1) of Regulation (EU) 2020/2094, those amounts shall constitute external assigned revenue for the purpose of Article 21(5) of the Financial Regulation;

- (b) through an amount of up to EUR 360 000 000 000 as referred to in point (b) of Article 2(2) of Regulation (EU) 2020/2094 in 2018 prices, available for loan support to Member States pursuant to Articles 14 and 15 of this Regulation, subject to Article 3(5) of Regulation (EU) 2020/2094.

2. The amounts referred to in point (a) of paragraph 1 may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities, which are required for the management of the Facility and the achievement of its objectives, in particular studies, meetings of experts, consultation of stakeholders, information and communication actions, including inclusive outreach actions, and corporate communication of the political priorities of the Union, insofar as they are related to the objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange, corporate information technology tools, and all other technical and administrative assistance expenses incurred by the Commission for the management of the Facility. Expenses may also cover the costs of other supporting activities such as quality control and monitoring of projects on the ground and the costs of peer counselling and experts for the assessment and implementation of reforms and investments.

#### *Article 7*

##### **Resources from shared management programmes and use of resources**

1. Resources allocated to Member States under shared management may, at their request, be transferred to the Facility subject to the conditions set out in the relevant provisions of the Common Provisions Regulation for 2021-2027. The Commission shall implement those resources directly in accordance with point (a) of the first subparagraph of Article 62(1) of the Financial Regulation. Those resources shall be used exclusively for the benefit of the Member State concerned.

2. Member States may propose to include in their recovery and resilience plan, as estimated costs, the payments for additional technical support in accordance with Article 7 of Regulation (EU) 2021/240 and the amount of the cash contribution for the purpose of the Member State compartment pursuant to the relevant provisions of the InvestEU Regulation. Those costs shall not exceed 4 % of the recovery and resilience plan's financial total allocation, and the relevant measures, as set out in the recovery and resilience plan, shall respect the requirements of this Regulation.



### *Article 8*

#### **Implementation**

The Facility shall be implemented by the Commission in direct management in accordance with the relevant rules adopted pursuant to Article 322 TFEU, in particular the Financial Regulation and the Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council <sup>(1)</sup>.

### *Article 9*

#### **Additionality and complementary funding**

Support under the Facility shall be additional to the support provided under other Union programmes and instruments. Reforms and investment projects may receive support from other Union programmes and instruments provided that such support does not cover the same cost.

### *Article 10*

#### **Measures linking the Facility to sound economic governance**

1. The Commission shall make a proposal to the Council to suspend all or part of the commitments or payments where the Council decides in accordance with Article 126(8) or (11) TFEU that a Member State has not taken effective action to correct its excessive deficit, unless it has determined the existence of a severe economic downturn for the Union as a whole within the meaning of Articles 3(5) and 5(2) of Council Regulation (EC) No 1467/97 <sup>(2)</sup>.

2. The Commission may make a proposal to the Council to suspend all or part of the commitments or payments in relation to any of the following cases:

- (a) where the Council adopts two successive recommendations in the same excessive imbalance procedure in accordance with Article 8(3) of Regulation (EU) No 1176/2011 on the grounds that a Member State has submitted an insufficient corrective action plan;
- (b) where the Council adopts two successive decisions in the same excessive imbalance procedure in accordance with Article 10(4) of Regulation (EU) No 1176/2011 establishing non-compliance by a Member State on the grounds that it has not taken the recommended corrective action;
- (c) where the Commission concludes that a Member State has not taken measures as referred to in Regulation (EC) No 332/2002 and as a consequence decides not to authorise the disbursement of the financial assistance granted to that Member State;
- (d) where the Council decides that a Member State does not comply with the macroeconomic adjustment programme referred to in Article 7 of Regulation (EU) No 472/2013, or with the measures requested by a Council decision adopted in accordance with Article 136(1) TFEU.

<sup>(1)</sup> Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget (OJ L 433I, 22.12.2020, p. 1).

<sup>(2)</sup> Council Regulation (EC) No 1467/97 of 7 July 1997 on speeding up and clarifying the implementation of the excessive deficit procedure (OJ L 209, 2.8.1997, p. 6).

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Priority shall be given to the suspension of commitments; payments shall be suspended only when immediate action is sought and in the case of significant non-compliance.

The decision to suspend payments shall apply to requests for payments submitted after the date of the decision to suspend.

3. A proposal by the Commission for a decision to suspend commitments shall be deemed adopted by the Council unless the Council decides, by means of an implementing act, to reject such a proposal by qualified majority within one month of the submission of the Commission proposal.

The suspension of commitments shall apply to the commitments from 1 January of the year following the adoption of the decision to suspend.

The Council shall adopt a decision, by means of an implementing act, on a proposal by the Commission referred to in paragraphs 1 and 2 in relation to the suspension of payments.

4. The scope and level of the suspension of commitments or payment to be imposed shall be proportionate, respect the equality of treatment between Member States and take into account the economic and social circumstances of the Member State concerned, in particular the level of unemployment, the level of poverty or social exclusion in the Member State concerned compared to the Union average and the impact of the suspension on the economy of the Member State concerned.

5. The suspension of commitments shall be subject to a maximum of 25 % of the commitments or 0,25 % of nominal GDP, whichever is lower, in any of the following cases:

- (a) in the first case of non-compliance with an excessive deficit procedure as referred to in paragraph 1;
- (b) in the first case of non-compliance relating to a corrective action plan under an excessive imbalance procedure as referred to in point (a) of paragraph 2;
- (c) in the case of non-compliance with the recommended corrective action pursuant to an excessive imbalance procedure as referred to in point (b) of paragraph 2;
- (d) in the first case of non-compliance as referred to in points (c) and (d) of paragraph 2.

In the case of persistent non-compliance, the suspension of commitments may exceed the maximum percentages set out in the first subparagraph.

6. The Council shall lift the suspension of commitments on a proposal from the Commission, in accordance with the procedure set out in the first subparagraph of paragraph 3 of this Article, in the following cases:

- (a) where the excessive deficit procedure is held in abeyance in accordance with Article 9 of Regulation (EC) No 1467/97 or the Council has decided in accordance with Article 126(12) TFEU to abrogate the decision on the existence of an excessive deficit;

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- (b) where the Council has endorsed the corrective action plan submitted by the Member State concerned in accordance with Article 8(2) of Regulation (EU) No 1176/2011 or the excessive imbalance procedure is placed in a position of abeyance in accordance with Article 10(5) of that Regulation or the Council has closed the excessive imbalance procedure in accordance with Article 11 of that Regulation;
- (c) where the Commission has concluded that a Member State has taken appropriate measures as referred to in Regulation (EC) No 332/2002;
- (d) where the Commission has concluded that the Member State concerned has taken appropriate measures to implement the macro-economic adjustment programme referred to in Article 7 of Regulation (EU) No 472/2013 or the measures requested by a Council decision adopted in accordance with Article 136(1) TFEU.

After the Council has lifted the suspension of commitments, the Commission may again enter into the commitments previously suspended without prejudice to Article 3(4), (7) and (9) of Regulation (EU) 2020/2094.

A decision concerning the lifting of the suspension of payments shall be taken by the Council on a proposal by the Commission in accordance with the procedure set out in the third subparagraph of paragraph 3, where the applicable conditions set out in the first subparagraph of this paragraph are fulfilled.

7. The Commission shall keep the European Parliament informed of the implementation of this Article. In particular, when the Commission makes a proposal pursuant to paragraph 1 or 2, it shall immediately inform the European Parliament and provide details on commitments and payments which could be subject to a suspension.

The competent committee of the European Parliament may invite the Commission to discuss the application of this Article in the context of a structured dialogue in order to allow the European Parliament to express its views. The Commission shall give due consideration to the views expressed by the European Parliament.

The Commission shall transmit the proposal for suspension or the proposal to lift such a suspension, to the European Parliament and to the Council without delay after its adoption. The European Parliament may invite the Commission to explain the reasons for its proposal.

8. By 31 December 2024, the Commission shall carry out a review of the application of this Article. To that end, the Commission shall prepare a report which it shall transmit to the European Parliament and the Council, accompanied where necessary by a legislative proposal.

9. Where there are major changes in the social and economic situation in the Union, the Commission may submit a proposal to review the application of this Article, or the European Parliament or the Council, acting in accordance with Articles 225 or 241 TFEU respectively, may request the Commission to submit such a proposal.



## CHAPTER II

## FINANCIAL CONTRIBUTION, ALLOCATION PROCESS, LOANS AND REVIEW

*Article 11***Maximum financial contribution**

1. The maximum financial contribution shall be calculated for each Member State as follows:
  - (a) for 70 % of the amount referred to in point (a) of Article 6(1), converted into current prices, on the basis of the population, the inverse of the GDP per capita and the relative unemployment rate of each Member State as set out in the methodology in Annex II;
  - (b) for 30 % of the amount referred to in point (a) of Article 6(1), converted into current prices, on the basis of the population, the inverse of the GDP per capita and, in equal proportion, the change in real GDP in 2020 and the aggregated change in real GDP for the period 2020-2021 as set out in the methodology in Annex III. The change in real GDP for 2020 and the aggregated change in real GDP for the period 2020-2021 shall be based on the Commission Autumn 2020 forecasts.
2. The calculation of the maximum financial contribution under point (b) of paragraph 1 shall be updated by 30 June 2022 for each Member State by replacing the data from the Commission Autumn 2020 forecasts with the actual outturns in relation to the change in real GDP 2020 and the aggregated change in real GDP for the period 2020-2021.

*Article 12***Allocation of financial contribution**

1. Each Member State may submit a request up to its maximum financial contribution, referred to in Article 11, to implement its recovery and resilience plan.
2. Until 31 December 2022, the Commission shall make available for allocation 70 % of the amount referred to in point (a) of Article 6(1), converted into current prices.
3. From 1 January 2023 until 31 December 2023, the Commission shall make available for allocation 30 % of the amount referred to in point (a) of Article 6(1), converted into current prices.
4. The allocations under paragraphs 2 and 3 are without prejudice to Article 6(2).

*Article 13***Pre-financing**

1. Subject to the adoption by 31 December 2021 by the Council of the implementing decision referred to in Article 20(1), and when requested by a Member State together with the submission of its recovery and resilience plan, the Commission shall make a pre-financing payment of an amount of up to 13 % of the financial contribution and, where applicable, of up to 13 % of the loan as set out in Article 20(2) and (3). By derogation from Article 116(1) of the Financial Regulation, the Commission shall make the corresponding payment within, to the extent possible, two months after the adoption by the Commission of the legal commitment referred to in Article 23.



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2. In cases of pre-financing under paragraph 1 of this Article, the financial contributions and, where applicable, the loan to be paid as referred to in point (a) or point (h) of Article 20(5), respectively, shall be adjusted proportionally.

3. If the amount of pre-financing of the financial contribution under paragraph 1 of this Article exceeds 13 % of the maximum financial contribution calculated in accordance with Article 11(2) by 30 June 2022, the next payment authorised in accordance with Article 24(5), and if needed the following payments, shall be reduced until the excess amount is offset. If the remaining payments are insufficient, the excess amount shall be returned.

*Article 14***Loans**

1. Until 31 December 2023, upon request from a Member State, the Commission may grant the Member State concerned a loan for the implementation of its recovery and resilience plan.

2. A Member State may request loan support at the time of the submission of a recovery and resilience plan referred to in Article 18, or at a different moment in time until 31 August 2023. In the latter case, the request shall be accompanied by a revised recovery and resilience plan, including additional milestones and targets.

3. The request for loan support by a Member State shall set out:

- (a) the reasons for the loan support, justified by the higher financial needs linked to additional reforms and investments;
- (b) the additional reforms and investments in line with Article 18;
- (c) the higher cost of the recovery and resilience plan concerned compared to the amount of the financial contributions allocated to the recovery and resilience plan respectively pursuant to point (a) or (b) of Article 20(4).

4. The loan support to the recovery and resilience plan of the Member State concerned shall not be higher than the difference between the total costs of the recovery and resilience plan, as revised where relevant, and the maximum financial contribution referred to in Article 11.

5. The maximum volume of the loan support for each Member State shall not exceed 6,8 % of its 2019 GNI in current prices.

6. By derogation from paragraph 5, subject to the availability of resources, in exceptional circumstances the amount of the loan support may be increased.

7. The loan shall be paid in instalments subject to the fulfilment of milestones and targets in line with Article 20(5)(h).

8. The Commission shall assess the request for loan support in accordance with Article 19. The Council shall adopt an implementing decision, on a proposal from the Commission, in accordance with Article 20(1). Where appropriate, the recovery and resilience plan shall be amended accordingly.



### *Article 15*

#### **Loan agreement**

1. Before entering into a loan agreement with the Member State concerned, the Commission shall assess whether:

- (a) the justification for requesting the loan support and its amount is considered reasonable and plausible in relation to the additional reforms and investments; and
- (b) the additional reforms and investments comply with the criteria set out in Article 19(3).

2. Where the Commission considers that the request for loan support fulfils the criteria of paragraph 1, and upon adoption of the Council implementing decision referred to in Article 20(1), the Commission shall enter into a loan agreement with the Member State concerned. The loan agreement, in addition to the elements laid down in Article 220(5) of the Financial Regulation, shall contain the following elements:

- (a) the amount of the loan in euro including, where applicable, the amount of the pre-financed loan in accordance with Article 13;
- (b) the average maturity; Article 220(2) of the Financial Regulation shall not apply with regard to this maturity;
- (c) the pricing formula and the availability period of the loan;
- (d) the maximum number of instalments and the repayment schedule;
- (e) the other elements needed for the implementation of the loan in relation to the reforms and the investment projects concerned in line with the decision referred to in Article 20(3).

3. In accordance with point (e) of Article 220(5) of the Financial Regulation, costs related to the borrowing of funds for the loans referred to in this Article shall be borne by the beneficiary Member States.

4. The Commission shall establish the necessary arrangements for the administration of the lending operations related to loans granted in accordance with this Article.

5. A Member State benefitting from a loan granted in accordance with this Article shall open a dedicated account for the management of the loan received. It shall also transfer the principal and the interest due on any related loan to an account indicated by the Commission in line with the arrangements put in place in accordance with paragraph 4 twenty business days before the corresponding due date.

### *Article 16*

#### **Review report**

1. By 31 July 2022, the Commission shall present to the European Parliament and the Council a review report on the implementation of the Facility.

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2. The review report shall set out the following elements:
  - (a) an assessment of the extent to which the implementation of the recovery and resilience plans is in line with the scope and contributes to the general objective of this Regulation in line with the six pillars referred to in Article 3, including how the recovery and resilience plans tackle the inequalities between women and men;
  - (b) a quantitative assessment of the contribution of the recovery and resilience plans to:
    - (i) the climate target of at least 37 %,
    - (ii) the digital target of at least 20 %,
      - (iii) each of the six pillars referred to in Article 3;
  - (c) the state of the implementation of the recovery and resilience plans and observations and guidance to the Member States before the update of their recovery and resilience plans referred to in Article 18(2).
3. For the purposes of the review report referred to in paragraph 1 of this Article, the Commission shall take into account the scoreboard referred to in Article 30, the reports of the Member States referred to in Article 27 and any other relevant information on the fulfilment of the milestones and targets of the recovery and resilience plans as available from the payment, suspension and termination procedures referred to in Article 24.
4. The competent committee of the European Parliament may invite the Commission to present the main findings of the review report in the context of the recovery and resilience dialogue referred to in Article 26.

## CHAPTER III

## RECOVERY AND RESILIENCE PLANS

*Article 17***Eligibility**

1. Within the scope set out in Article 3 and in pursuit of the objectives set out in Article 4, Member States shall prepare national recovery and resilience plans. Those plans shall set out the reform and investment agenda of the Member State concerned. Recovery and resilience plans that are eligible for financing under the Facility shall comprise measures for the implementation of reforms and public investment through a comprehensive and coherent package, which may also include public schemes that aim to incentivise private investment.
2. Measures started from 1 February 2020 onwards shall be eligible provided that they comply with the requirements set out in this Regulation.

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3. The recovery and resilience plans shall be consistent with the relevant country-specific challenges and priorities identified in the context of the European Semester, as well as those identified in the most recent Council recommendation on the economic policy of the euro area for Member States whose currency is the euro. The recovery and resilience plans shall also be consistent with the information included by the Member States in the National Reform Programmes under the European Semester, in their National Energy and Climate Plans and updates thereof under Regulation (EU) 2018/1999, in the territorial just transition plans under a Regulation of the European Parliament and of the Council establishing the Just Transition Fund (the 'Just Transition Fund Regulation'), in the Youth Guarantee implementation plans and in the partnership agreements and operational programmes under the Union funds.

4. The recovery and resilience plans shall respect the horizontal principles set out in Article 5.

5. Where a Member State is exempt from the monitoring and assessment in the context of the European Semester on the basis of Article 12 of Regulation (EU) No 472/2013, or is subject to surveillance under Regulation (EC) No 332/2002, this Regulation shall apply to the Member State concerned in relation to the challenges and priorities identified by the measures set out in those Regulations.

*Article 18***Recovery and resilience plan**

1. A Member State wishing to receive a financial contribution in accordance with Article 12 shall submit to the Commission a recovery and resilience plan as defined in Article 17(1).

2. After the Commission makes available for allocation the amount referred to in Article 12(3), a Member State may update and submit the recovery and resilience plan referred to in paragraph 1 of this Article to take into account the updated maximum financial contribution calculated in accordance with Article 11(2).

3. The recovery and resilience plan presented by the Member State may be submitted in a single integrated document together with the National Reform Programme and shall be officially submitted, as a rule, by 30 April. A draft recovery and resilience plan may be submitted by Member States from 15 October of the preceding year.

4. The recovery and resilience plan shall be duly reasoned and substantiated. It shall in particular set out the following elements:

- (a) an explanation of how the recovery and resilience plan, taking into account the measures included therein, represents a comprehensive and adequately balanced response to the economic and social situation of the Member State, thereby contributing appropriately to all pillars referred to in Article 3, taking into account the specific challenges of the Member State concerned;

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- (b) an explanation of how the recovery and resilience plan contributes to effectively address all or a significant subset of challenges identified in the relevant country-specific recommendations, including fiscal aspects thereof and recommendations made pursuant to Article 6 of Regulation (EU) No 1176/2011 where appropriate, addressed to the Member State concerned, or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester;
  
- (c) a detailed explanation of how the recovery and resilience plan strengthens the growth potential, job creation and economic, social and institutional resilience of the Member State concerned, including through the promotion of policies for children and the youth, and mitigates the economic and social impact of the COVID-19 crisis, contributing to the implementation of the European Pillar of Social Rights, and thereby enhancing the economic, social and territorial cohesion and convergence within the Union;
  
- (d) an explanation of how the recovery and resilience plan ensures that no measure for the implementation of reforms and investments included in the recovery and resilience plan does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 (the principle of ‘do no significant harm’);
  
- (e) a qualitative explanation of how the measures in the recovery and resilience plan are expected to contribute to the green transition, including biodiversity, or to addressing the challenges resulting therefrom, and whether they account for an amount that represents at least 37 % of the recovery and resilience plan’s total allocation, based on the methodology for climate tracking set out in Annex VI; that methodology shall be used accordingly for measures that cannot be directly assigned to an intervention field listed in Annex VI; the coefficients for support for the climate objectives may be increased up to a total amount of 3 % of the allocation of the recovery and resilience plan for individual investments to take account of accompanying reform measures that credibly increase their impact on the climate objectives as explained in the recovery and resilience plan;
  
- (f) an explanation of how the measures in the recovery and resilience plan are expected to contribute to the digital transition or to the challenges resulting therefrom, and whether they account for an amount which represents at least 20 % of the recovery and resilience plan’s total allocation, based on the methodology for digital tagging set out in Annex VII; that methodology shall be used accordingly for measures that cannot be directly assigned to an intervention field listed in Annex VII; the coefficients for support for the digital objectives may be increased for individual investments to take account of accompanying reform measures that increase their impact on the digital objectives;

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- (g) where appropriate, for investments in digital capacities and connectivity, a security self-assessment based on common objective criteria identifying any security issues, and detailing how those issues will be addressed in order to comply with relevant Union and national law;
- (h) an indication of whether the measures included in the recovery and resilience plan comprise cross-border or multi-country projects;
- (i) envisaged milestones, targets and an indicative timetable for the implementation of the reforms, and investments to be completed by 31 August 2026;
- (j) the envisaged investment projects and the related investment period;
- (k) the estimated total costs of the reforms and investments covered by the recovery and resilience plan submitted (also referred to as ‘estimated total costs of the recovery and resilience plan’) backed up by appropriate justification and by explanations of how it is in line with the principle of cost efficiency and commensurate to the expected national economic and social impact;
- (l) where relevant, information on existing or planned Union financing;
- (m) the accompanying measures that may be needed;
- (n) a justification of the coherence of the recovery and resilience plan; and an explanation of its consistency with the principles, plans and programmes referred to in Article 17;
- (o) an explanation of how the measures in the recovery and resilience plan are expected to contribute to gender equality and equal opportunities for all and the mainstreaming of those objectives, in line with principles 2 and 3 of the European Pillar of Social Rights, with the UN Sustainable Development Goal 5 and, where relevant, with the national gender equality strategy;
- (p) the arrangements for the effective monitoring and implementation of the recovery and resilience plan by the Member State concerned, including the proposed milestones and targets, and the related indicators;
- (q) for the preparation and, where available, for the implementation of the recovery and resilience plan, a summary of the consultation process, conducted in accordance with the national legal framework, of local and regional authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders, and how the input of the stakeholders is reflected in the recovery and resilience plan;
- (r) an explanation of the Member State’s system to prevent, detect and correct corruption, fraud and conflicts of interests, when using the funds provided under the Facility, and the arrangements that aim to avoid double funding from the Facility and other Union programmes;

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- (s) where appropriate, the request for loan support and the additional milestones as referred to in Article 14(2) and (3) and the elements thereof; and
- (t) any other relevant information.

5. When preparing their recovery and resilience plans, Member States may request the Commission to organise an exchange of good practices in order to allow the requesting Member States to benefit from the experience of other Member States. Member States may also request technical support under the Technical Support Instrument. Member States shall be encouraged to foster synergies with recovery and resilience plans of other Member States.

*Article 19***Commission assessment**

1. The Commission shall assess the recovery and resilience plan or, where applicable, the update to that plan submitted by the Member State in accordance with Article 18(1) or 18(2) within two months of the official submission, and make a proposal for a Council implementing decision in accordance with Article 20(1). When carrying out that assessment, the Commission shall act in close cooperation with the Member State concerned. The Commission may make observations or seek additional information. The Member State concerned shall provide the requested additional information and may revise the recovery and resilience plan if needed, including after the official submission of the recovery and resilience plan. The Member State concerned and the Commission may agree to extend the deadline for assessment by a reasonable period if necessary.

2. When assessing the recovery and resilience plan and in the determination of the amount to be allocated to the Member State concerned, the Commission shall take into account the analytical information on the Member State concerned available in the context of the European Semester as well as the justification and the elements provided by that Member State, as referred to in Article 18(4), as well as any other relevant information such as, in particular, the information contained in the National Reform Programme and the National Energy and Climate Plan of that Member State, in the territorial just transition plans under the Just Transition Fund Regulation, in the Youth Guarantee implementation plans and, if relevant, information from technical support received via the Technical Support Instrument.

3. The Commission shall assess the relevance, effectiveness, efficiency and coherence of the recovery and resilience plan and, for that purpose, shall take into account the following criteria which it shall apply in accordance with Annex V:

**Relevance:**

- (a) whether the recovery and resilience plan represents a comprehensive and adequately balanced response to the economic and social situation, thereby contributing appropriately to all six pillars referred to in Article 3, taking the specific challenges and the financial allocation of the Member State concerned into account;

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- (b) whether the recovery and resilience plan is expected to contribute to effectively addressing all or a significant subset of challenges identified in the relevant country-specific recommendations, including fiscal aspects thereof and recommendations made pursuant to Article 6 of Regulation (EU) No 1176/2011 where appropriate, addressed to the Member State concerned or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester;
- (c) whether the recovery and resilience plan is expected to effectively contribute to strengthening the growth potential, job creation, and economic, social and institutional resilience of the Member State, contributing to the implementation of the European Pillar of Social Rights, including through the promotion of policies for children and the youth, and to mitigating the economic and social impact of the COVID-19 crisis, thereby enhancing the economic, social and territorial cohesion and convergence within the Union;
- (d) whether the recovery and resilience plan is expected to ensure that no measure for the implementation of reforms and investment projects included in the recovery and resilience plan does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 (the principle of ‘do no significant harm’); the Commission shall provide technical guidance to the Member States to that effect;
- (e) whether the recovery and resilience plan contains measures that effectively contribute to the green transition, including biodiversity, or to addressing the challenges resulting therefrom, and whether they account for an amount which represents at least 37 % of the recovery and resilience plan’s total allocation, based on the methodology for climate tracking set out in Annex VI; that methodology shall be used accordingly for measures that cannot be directly assigned to an intervention field listed in Annex VI; the coefficients for support for the climate objectives may be increased up to a total amount of 3 % of the allocation of the recovery and resilience plan for individual investments to take account of accompanying reform measures that credibly increase their impact on the climate objectives, subject to the agreement of the Commission;
- (f) whether the recovery and resilience plan contains measures that effectively contribute to the digital transition or to addressing the challenges resulting therefrom, and whether they account for an amount which represents at least 20 % of the recovery and resilience plan’s total allocation, based on the methodology for digital tagging set out in Annex VII; that methodology shall be used accordingly for measures that cannot be directly assigned to an intervention field listed in Annex VII; the coefficients for support for the digital objectives may be increased for individual investments to take account of accompanying reform measures that increase their impact on the digital objectives;

Effectiveness:

- (g) whether the recovery and resilience plan is expected to have a lasting impact on the Member State concerned;



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- (h) whether the arrangements proposed by the Member States concerned are expected to ensure an effective monitoring and implementation of the recovery and resilience plan, including the envisaged timetable, milestones and targets, and the related indicators;

Efficiency:

- (i) whether the justification provided by the Member State on the amount of the estimated total costs of the recovery and resilience plan is reasonable and plausible and is in line with the principle of cost efficiency and is commensurate to the expected national economic and social impact;
- (j) whether the arrangements proposed by the Member State concerned are expected to prevent, detect and correct corruption, fraud and conflicts of interests when using the funds provided under the Facility, including the arrangements that aim to avoid double funding from the Facility and other Union programmes;

Coherence:

- (k) whether the recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions.

4. Where the Member State concerned has requested a loan as referred to in Article 14, the Commission shall assess whether the request for a loan fulfils the criteria set out in Article 15(1), and in particular whether the additional reforms and investments in respect of which that request was made, fulfil the assessment criteria of paragraph 3.

5. Where the Commission gives a negative assessment to a recovery and resilience plan, it shall communicate a duly justified assessment within the deadline set out in paragraph 1.

6. For the purpose of the assessment of the recovery and resilience plans submitted by Member States, the Commission may be assisted by experts.

#### *Article 20*

#### **Commission proposal and Council implementing decision**

1. On a proposal from the Commission, the Council shall approve by means of an implementing decision the assessment of the recovery and resilience plan submitted by the Member State in accordance with Article 18(1) or, where applicable, of its update submitted in accordance with Article 18(2).

2. In the event that the Commission gives a positive assessment to a recovery and resilience plan, the Commission proposal for a Council implementing decision shall set out the reforms and investment projects to be implemented by the Member State, including the milestones and targets, and the financial contributions calculated in accordance with Article 11.

3. Where the Member State concerned requests loan support, the Commission proposal for a Council implementing decision shall also set out the amount of the loan support as referred to in Article 14(4) and (6) and the additional reforms and investment projects to be implemented by the Member State covered by that loan, including the additional milestones and targets.

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4. The financial contribution referred to in paragraph 2 shall be determined on the basis of the estimated total costs of the recovery and resilience plan proposed by the Member State concerned, as assessed under the criteria set out in Article 19(3). The amount of financial contribution shall be set as follows:

- (a) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 19(3), and the amount of the estimated total costs of the recovery and resilience plan is equal to, or higher than, the maximum financial contribution calculated for that Member State in accordance with Article 11, the financial contribution allocated to the Member State concerned shall be equal to the total amount of the maximum financial contribution calculated for that Member State in accordance with Article 11;
- (b) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 19(3), and the amount of the estimated total costs of the recovery and resilience plan is lower than the maximum financial contribution calculated for that Member State in accordance with Article 11, the financial contribution allocated to the Member State shall be equal to the amount of the estimated total costs of the recovery and resilience plan;
- (c) where the recovery and resilience plan does not comply satisfactorily with the criteria set out in Article 19(3), no financial contribution shall be allocated to the Member State concerned.

5. The Commission proposal referred to in paragraph 2 shall also lay down:

- (a) the financial contribution to be paid in instalments once the Member State has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan;
- (b) the financial contribution and, where applicable, the amount of the loan support to be paid in the form of a pre-financing in accordance with Article 13 after the approval of the recovery and resilience plan;
- (c) the description of the reforms and of the investment projects and the amount of the estimated total costs of the recovery and resilience plan;
- (d) the time limit, which should be no later than 31 August 2026, by which the final milestones and targets for both investment projects and reforms must be completed;
- (e) the arrangements and timetable for monitoring and implementation of the recovery and resilience plan including, where relevant, measures necessary for complying with Article 22;
- (f) the relevant indicators relating to the fulfilment of the envisaged milestones and targets;
- (g) the arrangements for providing full access by the Commission to the underlying relevant data; and

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- (h) where appropriate, the amount of the loan to be paid in instalments and the additional milestones and targets related to the payment of the loan.

6. The arrangements and timetable for monitoring and implementation as referred to in point (e) of paragraph 5, the relevant indicators relating to the fulfilment of the envisaged milestones and targets referred to in point (f) of paragraph 5, the arrangements for providing full access by the Commission to the underlying data referred to in point (g) of paragraph 5, and, where appropriate, the additional milestones and targets related to the payment of the loan referred to in point (h) of paragraph 5 shall be further specified in operational arrangements to be agreed by the Member State concerned and the Commission after the adoption of the decision referred to in paragraph 1.

7. The Council shall adopt the implementing decisions referred to in paragraph 1, as a rule, within four weeks of the adoption of the Commission proposal.

8. The Council, on a proposal from the Commission, shall amend its implementing decision adopted in accordance with Article 20(1) to include the updated maximum financial contribution, calculated in accordance with Article 11(2), without undue delay.

### *Article 21*

#### **Amendment of the Member State's recovery and resilience plan**

1. Where the recovery and resilience plan including relevant milestones and targets is no longer achievable, either partially or totally, by the Member State concerned because of objective circumstances, the Member State concerned may make a reasoned request to the Commission to make a proposal to amend or replace the Council implementing decisions referred to in Article 20(1) and (3). To that end, the Member State may propose an amended or a new recovery and resilience plan. Member States may request technical support for the preparation of such proposal under the Technical Support Instrument.

2. Where the Commission considers that the reasons put forward by the Member State concerned justify an amendment of the relevant recovery and resilience plan, the Commission shall assess the amended or new recovery and resilience plan in accordance with Article 19 and shall make a proposal for a new Council implementing decision in accordance with Article 20(1) within two months of the official submission of the request. The Member State concerned and the Commission may agree to extend that deadline by a reasonable period if necessary. The Council shall adopt the new implementing decision, as a rule, within four weeks of the adoption of the Commission proposal.

3. Where the Commission considers that the reasons put forward by the Member State concerned do not justify an amendment of the relevant recovery and resilience plan, it shall reject the request within the period referred to in paragraph 2, after having given the Member State concerned the possibility to present its observations within one month of the communication of the Commission's conclusions.



## CHAPTER IV FINANCIAL PROVISIONS

### *Article 22*

#### **Protection of the financial interests of the Union**

1. In implementing the Facility, the Member States, as beneficiaries or borrowers of funds under the Facility, shall take all the appropriate measures to protect the financial interests of the Union and to ensure that the use of funds in relation to measures supported by the Facility complies with the applicable Union and national law, in particular regarding the prevention, detection and correction of fraud, corruption and conflicts of interests. To this effect, the Member States shall provide an effective and efficient internal control system and the recovery of amounts wrongly paid or incorrectly used. Member States may rely on their regular national budget management systems.

2. The agreements referred to in Articles 15(2) and 23(1) shall provide for the obligations of the Member States:

- (a) to regularly check that the financing provided has been properly used in accordance with all applicable rules and that any measure for the implementation of reforms and investment projects under the recovery and resilience plan has been properly implemented in accordance with all applicable rules in particular regarding the prevention, detection and correction of fraud, corruption and conflicts of interests;
- (b) to take appropriate measures to prevent, detect and correct fraud, corruption, and conflicts of interests as defined in Article 61(2) and (3) of the Financial Regulation affecting the financial interests of the Union and to take legal actions to recover funds that have been misappropriated, including in relation to any measure for the implementation of reforms and investment projects under the recovery and resilience plan;
- (c) to accompany a request for payment by:
  - (i) a management declaration that the funds were used for its intended purpose, that the information submitted with the request for payment is complete, accurate and reliable and that the control systems put in place give the necessary assurances that the funds were managed in accordance with all applicable rules, in particular rules on avoidance of conflicts of interests, fraud prevention, corruption and double funding from the Facility and other Union programmes in accordance with the principle of sound financial management; and
  - (ii) a summary of the audits carried out, including weaknesses identified and any corrective actions taken;
- (d) for the purpose of audit and control and to provide for comparable information on the use of funds in relation to measures for the implementation of reforms and investment projects under the recovery and resilience plan, to collect and ensure access to the following standardised categories of data:

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- (i) name of the final recipient of funds;
  - (ii) name of the contractor and sub-contractor, where the final recipient of funds is a contracting authority in accordance with Union or national law on public procurement;
  - (iii) first name(s), last name(s) and date of birth of beneficial owner(s) of the recipient of funds or contractor, as defined in point 6 of Article 3 of Directive (EU) 2015/849 of the European Parliament and of the Council <sup>(1)</sup>;
  - (iv) a list of any measures for the implementation of reforms and investment projects under the recovery and resilience plan with the total amount of public funding of those measures and indicating the amount of funds paid under the Facility and under other Union funds;
- (e) to expressly authorise the Commission, OLAF, the Court of Auditors and, where applicable, EPPO to exert their rights as provided for in Article 129(1) of the Financial Regulation and to impose obligations on all final recipients of funds paid for the measures for the implementation of reforms and investment projects included in the recovery and resilience plan, or to all other persons or entities involved in their implementation to expressly authorise the Commission, OLAF, the Court of Auditors and, where applicable, EPPO to exert their rights as provided for in Article 129(1) of the Financial Regulation and to impose similar obligations on all final recipients of funds disbursed;
- (f) to keep records in accordance with Article 132 of the Financial Regulation.

3. Personal data as referred to in point (d) of paragraph 2 of this Article shall only be processed by Member States and by the Commission for the purpose, and corresponding duration, of discharge, audit and control proceedings related to the use of funds related to the implementation of the agreements referred to in Articles 15(2) and 23(1). Within the framework of the discharge procedure to the Commission, in accordance with Article 319 TFEU, the Facility shall be subject to reporting under the integrated financial and accountability reporting referred to in Article 247 of the Financial Regulation, and, in particular, separately in the Annual Management and Performance Report.

4. The Commission shall make available to the Member States an integrated and interoperable information and monitoring system including a single data-mining and risk-scoring tool to access and analyse the relevant data, with a view to a generalised application by Member States of that system including with support of the Technical Support Instrument.

<sup>(1)</sup> Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141, 5.6.2015, p. 73).

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5. The agreements referred to in Articles 15(2) and 23(1) shall also provide for the right of the Commission to reduce proportionately the support under the Facility and recover any amount due to the Union budget or to ask for early repayment of the loan, in cases of fraud, corruption, and conflicts of interests affecting the financial interests of the Union that have not been corrected by the Member State, or a serious breach of an obligation resulting from such agreements.

When deciding on the amount of the recovery and reduction, or the amount to be repaid early, the Commission shall respect the principle of proportionality and shall take into account the seriousness of the fraud, corruption and conflict of interests affecting the financial interests of the Union, or of a breach of an obligation. The Member State shall be given the opportunity to present its observations before the reduction is made or early repayment is requested.

*Article 23***Commitment of the financial contribution**

1. Once the Council has adopted an implementing decision as referred to in Article 20(1), the Commission shall conclude an agreement with the Member State concerned constituting an individual legal commitment within the meaning of the Financial Regulation. For each Member State the legal commitment shall not exceed the financial contribution referred to in point (a) of Article 11(1) for 2021 and 2022, and the updated financial contribution referred to in Article 11(2) for 2023.

2. Budgetary commitments may be based on global commitments and, where appropriate, may be broken down into annual instalments spread over several years.

*Article 24***Rules on payments, suspension and termination of agreements regarding financial contributions and loans**

1. Payments of financial contributions and, where applicable, of the loan to the Member State concerned under this Article shall be made by 31 December 2026 and in accordance with the budget appropriations and subject to the available funding.

2. Upon completion of the relevant agreed milestones and targets indicated in the recovery and resilience plan as approved in accordance with Article 20, the Member State concerned shall submit to the Commission a duly justified request for payment of the financial contribution and, where relevant, of the loan. Such requests for payment may be submitted by the Member States to the Commission twice a year.

3. The Commission shall assess on a preliminary basis without undue delay, and at the latest within two months of receiving the request, whether the relevant milestones and targets set out in the Council implementing decision referred to in Article 20(1) have been satisfactorily fulfilled. The satisfactory fulfilment of milestones and targets shall presuppose that measures related to previously satisfactorily fulfilled milestones and targets have not been reversed by the Member State concerned. For the purpose of the assessment, the operational arrangements referred to in Article 20(6) shall also be taken into account. The Commission may be assisted by experts.

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4. Where the Commission makes a positive preliminary assessment of the satisfactory fulfilment of the relevant milestones and targets, it shall provide its findings to the Economic and Financial Committee and ask for its opinion on the satisfactory fulfilment of the relevant milestones and targets. The Commission shall take the opinion of the Economic and Financial Committee into account for its assessment.

5. Where the Commission makes a positive assessment, it shall adopt without undue delay a decision authorising the disbursement of the financial contribution and, where applicable, of the loan in accordance with the Financial Regulation. Such decision shall be adopted in accordance with the examination procedure referred to in Article 35(2).

6. Where, as a result of the assessment referred to in paragraph 5, the Commission establishes that the milestones and targets set out in the Council implementing decision referred to in Article 20(1) have not been satisfactorily fulfilled, the payment of all or part of the financial contribution and, where applicable, of the loan shall be suspended. The Member State concerned may present its observations within one month of the communication of the Commission's assessment.

The suspension shall only be lifted where the Member State concerned has taken the necessary measures to ensure a satisfactory fulfilment of the milestones and targets set out in the Council implementing decision referred to in Article 20(1).

7. By derogation from Article 116(2) of the Financial Regulation, the payment deadline shall start running from the date of the communication of the decision authorising the disbursement to the Member State concerned pursuant to paragraph 5 of this Article, or from the date of the communication of the lifting of a suspension pursuant to the second subparagraph of paragraph 6 of this Article.

8. Where the Member State concerned has not taken the necessary measures within a period of six months from the suspension, the Commission shall reduce the amount of the financial contribution and, where applicable, of the loan proportionately after having given the Member State concerned the possibility to present its observations within two months from the communication of its conclusions.

9. Where, within 18 months of the date of the adoption of the Council implementing decision referred to in Article 20(1), no tangible progress has been made in respect of any relevant milestones and targets by the Member State concerned, the Commission shall terminate the agreements referred to in Articles 15(2) and 23(1) and shall decommit the amount of the financial contribution without prejudice to Article 14(3) of the Financial Regulation. Any pre-financing in accordance with Article 13 shall be recovered in full. The Commission shall take a decision on the termination of agreements referred to in Articles 15(2) and 23(1) and, where applicable, of the recovery of the pre-financing after having given the Member State concerned the possibility to present its observations within a period of two months of the communication of its assessment as to whether no tangible progress has been made.

10. If exceptional circumstances arise, the adoption of the decision authorising the disbursement of the financial contribution and, where applicable, of the loan in accordance with paragraph 5 may be postponed for up to three months.



## CHAPTER V

### INSTITUTIONAL PROVISIONS

#### *Article 25*

##### **Transparency**

1. The Commission shall transmit the recovery and resilience plans officially submitted by the Member States, and the proposals for Council implementing decisions referred to in Article 20(1), as made public by the Commission, simultaneously and on equal terms to the European Parliament and the Council without undue delay.
2. Information transmitted by the Commission to the Council or any of its preparatory bodies in the context of this Regulation or its implementation shall simultaneously be made available to the European Parliament, subject to confidentiality arrangements if necessary. Relevant outcomes of discussions held in Council preparatory bodies shall be shared with the competent committee of the European Parliament.
3. The Member State concerned may request the Commission to redact sensitive or confidential information, the disclosure of which would jeopardise public interests of the Member State. In such a case, the Commission shall liaise with the European Parliament and the Council regarding how the redacted information can be made available to them in a confidential manner in accordance with the applicable rules.
4. The Commission shall provide the competent committee of the European Parliament with an overview of its preliminary findings concerning the satisfactory fulfilment of the relevant milestones and targets included in the recovery and resilience plans of the Member States.
5. The competent committee of the European Parliament may invite the Commission to provide information on the state of play of the assessment of the recovery and resilience plans in the context of the recovery and resilience dialogue referred to in Article 26.

#### *Article 26*

##### **Recovery and resilience dialogue**

1. In order to enhance the dialogue between the Union institutions, in particular the European Parliament, the Council and the Commission, and to ensure greater transparency and accountability, the competent committee of the European Parliament may invite the Commission every two months to discuss the following matters:
  - (a) the state of recovery, resilience and adjustment capacity in the Union, as well as the measures adopted under this Regulation;
  - (b) the recovery and resilience plans of the Member States;
  - (c) the assessment of the recovery and resilience plans of the Member States;
  - (d) the main findings of the review report referred to in Article 16(2);



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- (e) the status of fulfilment of the milestones and targets of the recovery and resilience plans of the Member States;
  - (f) payment, suspension and termination procedures, including any observation presented and remedial measures taken by the Member States to ensure a satisfactory fulfilment of the milestones and targets;
  - (g) any other relevant information and documentation provided by the Commission to the competent committee of the European Parliament in relation to the implementation of the Facility.
2. The European Parliament may express its views in resolutions as regards the matters referred to in paragraph 1.
  3. The Commission shall take into account any elements arising from the views expressed through the recovery and resilience dialogue, including the resolutions from the European Parliament if provided.
  4. The recovery and resilience scoreboard referred to in Article 30 shall serve as a basis for the recovery and resilience dialogue.

**CHAPTER VI****REPORTING***Article 27***Reporting by the Member State in the context of the European Semester**

The Member State concerned shall report twice a year in the context of the European Semester on the progress made in the achievement of its recovery and resilience plan, including the operational arrangements referred to in Article 20(6) and on the common indicators as referred to in Article 29(4). To that end, the reports of the Member States shall be appropriately reflected in the National Reform Programmes, which shall be used as a tool for reporting on the progress towards completion of the recovery and resilience plans.

**CHAPTER VII****COMPLEMENTARITY, MONITORING AND EVALUATION***Article 28***Coordination and complementarity**

The Commission and the Member States concerned shall, in a manner commensurate to their respective responsibilities, foster synergies and ensure effective coordination between the Facility and other Union programmes and instruments, including the Technical Support Instrument, and in particular with measures financed by the Union funds. For that purpose, they shall:

- (a) ensure complementarity, synergy, coherence and consistency among different instruments at Union, national and, where appropriate, regional levels, in particular in relation to measures financed by Union funds, both in the planning phase and during implementation;

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- (b) optimise mechanisms for coordination to avoid duplication of effort; and
- (c) ensure close cooperation between those responsible for implementation and control at Union, national and, where appropriate, regional levels to achieve the objectives of the Facility.

*Article 29***Monitoring of implementation**

1. The Commission shall monitor the implementation of the Facility and measure the achievement of the objectives set out in Article 4. The monitoring of implementation shall be targeted and proportionate to the activities carried out under the Facility.
2. The performance reporting system of the Commission shall ensure that data for monitoring the implementation of the activities and results are collected efficiently, effectively and in a timely manner. To that end, proportionate reporting requirements shall be imposed on recipients of Union funding.
3. The Commission shall report ex-post on the expenditure financed by the Facility under each of the pillars referred to in Article 3. Such reporting will be based on the break-down of the estimated expenditure provided in the approved recovery and resilience plans.
4. The Commission shall be empowered to adopt, by the end of December 2021, delegated acts in accordance with Article 33 to supplement this Regulation in order to:
  - (a) set out the common indicators to be used for reporting on the progress and for the purpose of monitoring and evaluation of the Facility towards the achievement of the general and specific objectives; and
  - (b) define a methodology for reporting social expenditure, including on children and the youth, under the Facility.
5. Member States shall report to the Commission on the common indicators.

*Article 30***Recovery and resilience scoreboard**

1. The Commission shall establish a recovery and resilience scoreboard (the 'Scoreboard'), which shall display the progress of the implementation of the recovery and resilience plans of the Member States in each of the six pillars referred to in Article 3. The Scoreboard shall constitute the performance reporting system of the Facility.
2. The Commission shall be empowered to adopt a delegated act in accordance with Article 33 to supplement this Regulation by defining the detailed elements of the Scoreboard with a view to displaying the progress of the implementation of the recovery and resilience plans as referred to in paragraph 1.

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3. The Scoreboard shall also display the progress of the implementation of the recovery and resilience plans in relation to the common indicators referred to in Article 29(4).

4. The Scoreboard shall be operational by December 2021 and shall be updated by the Commission twice a year. The Scoreboard shall be made publicly available on a website or internet portal.

*Article 31***Annual report**

1. The Commission shall provide an annual report to the European Parliament and the Council on the implementation of the Facility.

2. The annual report shall include information on the progress made with the recovery and resilience plans of the Member States concerned under the Facility, including information on the status of the implementation of the milestones and targets, and the status of payments and suspensions thereof.

3. The annual report shall also include the following information on:

- (a) the contribution of the Facility to the climate and digital targets;
- (b) the performance of the Facility based on the common indicators referred to in Article 29(4);
- (c) the expenditure financed by the Facility under the six pillars referred to in Article 3, incorporating social expenditure, including on children and the youth, as referred to in Article 29(4).

4. For the purpose of reporting on the activities referred to in paragraphs 2 and 3, the Commission may use the content of the relevant documents officially adopted by the Commission under the European Semester, as appropriate.

*Article 32***Evaluation and *ex post* evaluation of the Facility**

1. By 20 February 2024, the Commission shall provide the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions with an independent evaluation report on the implementation of the Facility, and by 31 December 2028 with an independent *ex post* evaluation report.

2. The evaluation report shall, in particular, assess to which extent the objectives have been achieved, the efficiency of the use of the resources and the European added value. It shall also consider the continued relevance of all objectives and actions.

3. Where appropriate, the evaluation shall be accompanied by a proposal for amendments to this Regulation.

4. The *ex post* evaluation report shall consist of a global assessment of the Facility and shall include information on its impact in the long term.



### *Article 33*

#### **Exercise of delegation**

1. The power to adopt delegated acts shall be conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Articles 29(4) and 30(2) shall be conferred on the Commission for an indeterminate period of time from 19 February 2021.
3. The delegations of power referred to in Articles 29(4) and 30(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect on the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
6. A delegated act adopted pursuant to Articles 29(4) and 30(2) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of one month of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by one month at the initiative of the European Parliament or of the Council.

## CHAPTER VIII

### **COMMUNICATION AND FINAL PROVISIONS**

### *Article 34*

#### **Information, communication and publicity**

1. The Commission may engage in communication activities to ensure the visibility of the Union funding for the financial support envisaged in the relevant recovery and resilience plan, including through joint communication activities with the national authorities concerned. The Commission may, as appropriate, ensure that support under the Facility is communicated and acknowledged through a funding statement.
2. The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding, including, where applicable, by displaying the emblem of the Union and an appropriate funding statement that reads ‘funded by the European Union – NextGenerationEU’, in particular when promoting the actions and their results, by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.

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3. The Commission shall implement information and communication actions relating to the Facility, to actions taken pursuant to the Facility and to the results obtained. The Commission shall where appropriate inform the representation offices of the European Parliament of its actions and involve them in those actions. Financial resources allocated to the Facility shall also contribute to the corporate communication of the political priorities of the Union, insofar as they are related to the objectives referred to in Article 4.

*Article 35***Committee procedure**

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

*Article 36***Entry into force**

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.



# ANNEX I

## Methodology for the calculation of the maximum financial contribution per Member State under the Facility

This Annex sets out the methodology for calculating the maximum financial contribution available for each Member State in accordance with Article 11. The method takes into account, with regard to each Member State:

- the population;
- the inverse of the GDP per capita;
- the average unemployment rate over the past five years compared to the Union average (2015-2019);
- the fall in real GDP in 2020 and the fall in real GDP in 2020 and 2021 combined.

To avoid excessive concentration of resources:

- the inverse of the GDP per capita is capped at a maximum of 150 % of the Union average;
- the deviation of an individual Member State's unemployment rate from the Union average is capped at a maximum of 150 % of the Union average;
- to account for the generally more stable labour markets of wealthier Member States (with GNI per capita above the Union average) the deviation of their unemployment rate from the Union average is capped at a maximum of 75 %.

The maximum financial contribution of a Member State under the Facility (MFC<sub>i</sub>) is defined as follows:

$$MFC_i = v_i \times (FS)$$

where:

FS (Financial Support) is the available financing under the Facility as referred to in Article 6(1)(a); and

$v_i$  is the allocation key of Member State  $i$ , defined as:

$$v_i = 0,7 \kappa_i + 0,3 \alpha_i$$

where:

$\kappa_i$  is the allocation key applied to 70 % of the amount referred to in point (a) of Article 6(1) and set out in Annex II; and

$\alpha_i$  is the allocation key applied to 30 % of the amount referred to in point (a) of Article 6(1) and set out in Annex III.

**▼ B***ANNEX II*

The allocation key applied to 70 % of the amount referred to in point (a) of Article 6(1),  $\kappa_i$  is defined as follows:

$$\kappa_i = \frac{\sigma_{i,2019} * v_i}{\sum_{i=1}^{27} \sigma_{i,2019} * v_i},$$

$$\text{where } \sigma_{i,2019} = \frac{GDP_{EU,2019}^{PC}}{GDP_{i,2019}^{PC}} * \frac{pop_{i,2019}}{pop_{EU,2019}} \text{ and } v_i = \frac{U_{i,2015-2019}}{U_{EU,2015-2019}},$$

$$\text{with } \frac{GDP_{EU,2019}^{PC}}{GDP_{i,2019}^{PC}} \leq 1,5,$$

$$v_i \leq 0,75 \text{ for Member States with } GNI_{i,2019}^{PC} > GNI_{EU,2019}^{PC} \text{ and}$$

$$v_i \leq 1,5 \text{ for Member States with } GNI_{i,2019}^{PC} \leq GNI_{EU,2019}^{PC}$$

Defining <sup>(1)</sup>:

- $GDP_{i,2019}^{PC}$  as the 2019 nominal GDP per capita of Member State i;
- $GDP_{EU,2019}^{PC}$  as the 2019 weighted average of GDP per capita of the EU-27 Member States;
- $pop_{i,2019}$  as the 2019 total population in Member State i;
- $pop_{EU,2019}$  as the 2019 total population in the EU-27 Member States;
- $U_{i,2015-2019}$  as the average unemployment rate over the period 2015-2019 of Member State i;
- $U_{EU,2015-2019}$  as the average unemployment rate over the period 2015-2019 in the EU-27 (in each year the weighted average of the EU-27 Member States);
- $GNI_{i,2019}^{PC}$  as the 2019 GNI per capita of Member State i;
- $GNI_{EU,2019}^{PC}$  as the 2019 weighted average GNI per capita of the EU-27 Member States.

<sup>(1)</sup> All data in the regulation is from Eurostat; cut-off date May 2020 for historical data.

**▼ B***ANNEX III*

The allocation key applied to 30 % of the amount referred to in Article 6(1)(a),  $\alpha_i$ , is defined as follows:

$$\alpha_i = \frac{\phi_i + \rho_i}{2}$$

where

$$\phi_i = \frac{\sigma_{i,2019} * \delta GDP_{i,2020-2019}}{\sum_{i=1}^{27} \sigma_{i,2019} * \delta GDP_{i,2020-2019}} \text{ and } \rho_i = \frac{\sigma_{i,2019} * \delta GDP_{i,2021-2019}}{\sum_{i=1}^{27} \sigma_{i,2019} * \delta GDP_{i,2021-2019}}$$

where

$$\delta GDP_{i,2020-2019} = \min \left\{ \frac{GDP_{i,2020}}{GDP_{i,2019}} - 1; 0 \right\} \text{ and } \delta GDP_{i,2021-2019} = \min \left\{ \frac{GDP_{i,2021}}{GDP_{i,2019}} - 1; 0 \right\}$$

$$\sigma_{i,2019} = \frac{GDP_{EU,2019}^{PC}}{GDP_{i,2019}^{PC}} * \frac{pop_{i,2019}}{pop_{EU,2019}}$$

$$\text{with } \frac{GDP_{EU,2019}^{PC}}{GDP_{i,2019}^{PC}} \leq 1,5$$

Defining:

- $GDP_{i,t}$  as the real GDP of Member State i at time t = 2019, 2020, 2021;
- $GDP_{i,2019}^{PC}$  as the 2019 GDP per capita of Member State i;
- $GDP_{EU,2019}^{PC}$  as the 2019 weighted average of GDP per capita of the EU-27 Member States;
- $pop_{i,2019}$  as the 2019 total population in Member State i;
- $pop_{EU,2019}$  as the 2019 total population in the EU-27 Member States.

The fall in real GDP for 2020 ( $\delta GDP_{i,2020-2019}$ ) and the cumulative fall in real GDP for the period 2020-2021 ( $\delta GDP_{i,2020-2021}$ ) shall be based on the Commission Autumn 2020 forecasts and updated by 30 June 2022 for each Member State replacing the data from the Commission Autumn 2020 forecasts with the actual outturns as reported in the latest available update of the Eurostat code series 'tec00115 (Real GDP growth rate - volume)'.





## ANNEX IV

The application of the methodologies in Annexes I, II and III to the amount referred to in Article 6(1)(a), converted into current prices, will result in the following share and amount of the maximum financial contribution per Member State, without prejudice to the updated calculation by 30 June 2022:

| Maximum financial contribution per EU Member State |                                  |                                       |  |                                       |             |
|--|----------------------------------|---------------------------------------|--|---------------------------------------|-------------|
|  | for 70 % of the amount available |                                       | for 30 % of the amount available (Indicative amount based on the Commission Autumn 2020 forecasts) |                                       |             |
|  | Share as % of total              | Amount (in EUR 1 000, current prices) | Share as % of total  | Amount (in EUR 1 000, current prices) | Total       |
| BE   | 1,56 %                           | 3 646 437                             | 2,20 %   | 2 278 834                             | 5 925 271   |
| BG   | 1,98 %                           | 4 637 074                             | 1,58 %   | 1 631 632                             | 6 268 706   |
| CZ   | 1,51 %                           | 3 538 166                             | 3,41 %   | 3 533 509                             | 7 071 676   |
| DK   | 0,56 %                           | 1 303 142                             | 0,24 %   | 248 604                               | 1 551 746   |
| DE   | 6,95 %                           | 16 294 947                            | 9,01 %   | 9 324 228                             | 25 619 175  |
| EE   | 0,32 %                           | 759 715                               | 0,20 %   | 209 800                               | 969 515     |
| IE   | 0,39 %                           | 914 572                               | 0,07 %   | 74 615                                | 989 186     |
| EL   | 5,77 %                           | 13 518 285                            | 4,11 %   | 4 255 610                             | 17 773 895  |
| ES   | 19,88 %                          | 46 603 232                            | 22,15 %  | 22 924 818                            | 69 528 050  |
| FR   | 10,38 %                          | 24 328 797                            | 14,54 %  | 15 048 278                            | 39 377 074  |
| HR   | 1,98 %                           | 4 632 793                             | 1,61 %   | 1 664 039                             | 6 296 831   |
| IT   | 20,45 %                          | 47 935 755                            | 20,25 %  | 20 960 078                            | 68 895 833  |
| CY   | 0,35 %                           | 818 396                               | 0,18 %   | 187 774                               | 1 006 170   |
| LV   | 0,70 %                           | 1 641 145                             | 0,31 %   | 321 944                               | 1 963 088   |
| LT   | 0,89 %                           | 2 092 239                             | 0,13 %   | 132 450                               | 2 224 690   |
| LU   | 0,03 %                           | 76 643                                | 0,02 %   | 16 883                                | 93 526      |
| HU   | 1,98 %                           | 4 640 462                             | 2,45 %   | 2 535 376                             | 7 175 838   |
| MT   | 0,07 %                           | 171 103                               | 0,14 %   | 145 371                               | 316 474     |
| NL   | 1,68 %                           | 3 930 283                             | 1,96 %   | 2 032 041                             | 5 962 324   |
| AT   | 0,95 %                           | 2 231 230                             | 1,19 %   | 1 230 938                             | 3 462 169   |
| PL   | 8,65 %                           | 20 275 293                            | 3,46 %   | 3 581 694                             | 23 856 987  |
| PT   | 4,16 %                           | 9 760 675                             | 4,01 %   | 4 149 713                             | 13 910 387  |
| RO   | 4,36 %                           | 10 213 809                            | 3,90 %   | 4 034 211                             | 14 248 020  |
| SI   | 0,55 %                           | 1 280 399                             | 0,48 %   | 496 924                               | 1 777 322   |
| SK   | 1,98 %                           | 4 643 840                             | 1,63 %   | 1 686 154                             | 6 329 994   |
| FI   | 0,71 %                           | 1 661 113                             | 0,41 %   | 424 692                               | 2 085 805   |
| SE   | 1,24 %                           | 2 911 455                             | 0,36 %   | 377 792                               | 3 289 248   |
| EU27   | 100,00 %                         | 234 461 000                           | 100,00 %   | 103 508 000                           | 337 969 000 |



## ANNEX V

### Assessment guidelines for the Facility

#### 1. Scope

The purpose of these guidelines is to serve together with this Regulation as a basis for the Commission to assess - in a transparent and equitable manner - the recovery and resilience plans proposed by Member States and to determine the financial contribution in conformity with the objectives and any other relevant requirements laid down in this Regulation. These guidelines represent the basis for the application of the assessment criteria and the determination of the financial contribution as referred to, respectively, in Articles 19(3) and 20(4).

The assessment guidelines are designed to:

- (a) give further guidance on the assessment process of the proposals for recovery and resilience plans submitted by Member States;
- (b) provide further details on the assessment criteria and provide for a rating system to be established with a view to ensuring an equitable and transparent process; and
- (c) define the link between the assessment to be made by the Commission under the assessment criteria and the determination of the financial contribution to be set out in the Commission proposal for a Council decision in relation to the recovery and resilience plans.

The guidelines are a tool to facilitate assessment by the Commission of the proposals for recovery and resilience plans as submitted by Member States and to ensure that the recovery and resilience plans support reforms and public investment that are relevant and display high added value with regard to the objectives of the Facility, while ensuring equal treatment among the Member States.

#### 2. Assessment criteria

In accordance with Article 19(3), the Commission shall assess the recovery and resilience plans under the criteria of relevance, effectiveness, efficiency and coherence. As a result of the assessment process, the Commission shall give ratings to the recovery and resilience plans submitted by the Member States under each of the assessment criteria referred to in Article 19(3), with a view to establishing the financial allocation in accordance with Article 20(4).

For the sake of simplification and efficiency, the rating system shall range from A to C, as set out in the following:

Relevance:

- 2.1. The recovery and resilience plan represents a comprehensive and adequately balanced response to the economic and social situation, thereby contributing appropriately to all six pillars referred to in Article 3, taking the specific challenges and the financial allocation of the Member State concerned into account.

The Commission shall take into account the following elements for the assessment under this criterion:

Scope

- the recovery and resilience plan contributes in a comprehensive and adequately balanced manner to all six pillars referred to in Article 3, considering the specific challenges of the Member State concerned and taking into account the financial contribution of the Member State concerned and the requested loan support.

**▼B**

## Rating

A – to a large extent

B – to a moderate extent

C – to a small extent

- 2.2. The recovery and resilience plan is expected to contribute to effectively addressing all or a significant subset of challenges identified in the relevant country-specific recommendations including fiscal aspects thereof and recommendations made pursuant to Article 6 of Regulation (EU) No 1176/2011 where appropriate, addressed to the Member State concerned or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester.

The Commission shall take into account the following elements for the assessment under this criterion:

## Scope

- the recovery and resilience plan is expected to contribute to effectively addressing all or a significant subset of challenges identified in the relevant country-specific recommendations, including fiscal aspects thereof and recommendations made pursuant to Article 6 of Regulation (EU) No 1176/2011 where appropriate, addressed to the Member State concerned or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester, taking into account the financial contribution of the Member State concerned and the requested loan support as well as the scope and scale of country-specific challenges and the information included in the National Reform Programme;

and

- the recovery and resilience plan represents a comprehensive and adequate response to the economic and social situation of the Member State concerned;

and

- the challenges addressed by the recovery and resilience plan are considered as significant to boost the growth potential of the economy of the Member State concerned in a sustainable manner;

and

- following the completion of the proposed reforms and investments, the related challenges would be expected to have been resolved or addressed in a manner that significantly contributes to their resolution.

## Rating

A – the recovery and resilience plan contributes to effectively addressing all or a significant subset of challenges identified in the country-specific recommendations, or challenges in other relevant documents officially adopted by the Commission under the European Semester, and the recovery and resilience plan represents an adequate response to the economic and social situation of the Member State concerned

B – the recovery and resilience plan contributes to partially addressing all or a significant subset of challenges identified in the country-specific recommendations, or challenges in other relevant documents officially adopted by the Commission under the European Semester and the recovery and resilience plan represents an adequate response to the economic and social situation of the Member State concerned

**▼B**

- C – the recovery and resilience plan does not contribute to addressing any challenges identified in the country-specific recommendations, or in other relevant documents officially adopted by the Commission under the European Semester and the recovery and resilience plan does not represent an adequate response to the economic and social situation of the Member State concerned

- 2.3. The recovery and resilience plan is expected to effectively contribute to strengthening the growth potential, job creation, and economic, social and institutional resilience of the Member State, contributing to the implementation of the European Pillar of Social Rights, including through the promotion of policies for children and youth, and to mitigating the economic and social impact of the COVID-19 crisis, thereby enhancing the economic, social and territorial cohesion and convergence within the Union.

The Commission shall take into account the following elements for the assessment under this criterion:

Scope

- the recovery and resilience plan contains measures that aim to foster economic growth and economic cohesion in an inclusive manner, in particular addressing weaknesses of the economy of the Member States, boosting the growth potential of the economy of the Member State concerned, stimulating job creation, and mitigating the adverse effects of the crisis;

and

- the recovery and resilience plan contains measures that aim to strengthen social cohesion and social protection systems, including policies for children and youth, by reducing social vulnerabilities, contributing to the implementation of the principles of the European Pillar of Social Rights and contributing to improving the levels of the indicators of its Social Scoreboard;

and

- the recovery and resilience plan aims to reduce economic vulnerabilities of the Member State to shocks;

and

- the recovery and resilience plan aims to increase the capacity of the economic and/or social structures and institutions of the Member State to adjust to and withstand shocks;

and

- the recovery and resilience plan is expected to contribute to enhancing economic, social and territorial cohesion and convergence.

Rating

A – high expected impact

B – medium expected impact

C – low expected impact

- 2.4. The recovery and resilience plan is expected to ensure that no measure for the implementation of reforms and investments projects included in the recovery and resilience plan does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 (the principle of ‘do no significant harm’).

**▼B**

The Commission shall take into account the following elements for the assessment under this criterion:

Scope

- no measure for the implementation of reforms and investments projects included in the recovery and resilience plan does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 (the principle of ‘do no significant harm’).

Rating

A – no measure does significant harm to environmental objectives (the principle of ‘do no significant harm’)

C – one or more measure does significant harm to environmental objectives (the principle of ‘do no significant harm’)

- 2.5. The recovery and resilience plan contains measures that effectively contribute to the green transition, including biodiversity, or to addressing the challenges resulting therefrom, and that account for an amount which represents at least 37 % of the recovery and resilience plan’s total allocation, based on the methodology for climate tracking set out in Annex VI; that methodology shall be used accordingly for measures that cannot be directly assigned to an intervention field listed in Annex VI; the coefficients for support for the climate objectives may be increased up to a total amount of 3 % of the allocation of the recovery and resilience plan for individual investments to take account of accompanying reform measures that credibly increase their impact on the climate objectives, subject to the agreement of the Commission.

The Commission shall take into account the following elements for the assessment under this criterion:

Scope

- the implementation of the envisaged measures is expected to effectively contribute to the green transition, including biodiversity, and, where applicable, to addressing the challenges resulting therefrom, thereby contributing to the achievement of the Union 2030 climate targets while complying with the objective of EU climate neutrality by 2050;

and

- Member States apply a methodology consisting of assigning a specific weighting to the support provided, which reflects the extent to which such support makes a contribution to climate objectives. The weightings shall be based on the dimensions and codes for the types of intervention established in Annex VI and may be increased for individual investments to take account of accompanying reform measures that credibly increase their impact on the climate objectives. The same weighting system shall apply for measures that cannot be directly assigned to an intervention field listed in Annex VI;

and

- the implementation of the envisaged measures is expected to have a lasting impact.

Rating

A – to a large extent

B – to a moderate extent.

C – to a small extent

**▼B**

- 2.6. The recovery and resilience plan contains measures that effectively contribute to the digital transition or to addressing the challenges resulting therefrom, and that account for an amount which represents at least 20 % of the recovery and resilience plan's total allocation, based on the methodology for digital tagging set out in Annex VII; that methodology shall be used accordingly for measures that cannot be directly assigned to an intervention field listed in Annex VII; the coefficients for support for the digital objectives may be increased for individual investments to take account of accompanying reform measures that increase their impact on the digital objectives.

The Commission shall take into account the following elements for the assessment under this criterion:

Scope

- the implementation of the envisaged measures is expected to significantly contribute to the digital transformation of economic or social sectors;

or

- the implementation of the envisaged measures is expected to significantly contribute to address the challenges resulting from digital transition;

and

- Member States apply a methodology consisting of assigning a specific weighting to the support provided, which reflects the extent to which such support makes a contribution to digital objectives. The weightings shall be based on the dimensions and codes for the types of intervention established in Annex VII and may be increased for individual investments to take account of accompanying reform measures that increase their impact on the digital objectives. The same weighting system shall apply for measures that cannot be directly assigned to an intervention field listed in Annex VII;

and

- the implementation of the envisaged measures is expected to have a lasting impact.

Rating

A – to a large extent

B – to a moderate extent

C – to a small extent

Effectiveness:

- 2.7. The recovery and resilience plan is expected to have a lasting impact on the Member State concerned.

The Commission shall take into account the following elements for the assessment under this criterion:

Scope

- the implementation of the envisaged measures is expected to bring about a structural change in the administration or in relevant institutions;

or

- the implementation of the envisaged measures is expected to bring about a structural change in relevant policies;

and

- the implementation of the envisaged measures is expected to have a lasting impact.

**▼B**

## Rating

A – to a large extent

B – to a moderate extent

C – to a small extent

- 2.8. The arrangements proposed by the Member States concerned are expected to ensure effective monitoring and implementation of the recovery and resilience plan, including the envisaged timetable, milestones and targets, and the related indicators.

The Commission shall take into account the following elements for the assessment under this criterion:

## Scope

— a structure is tasked within the Member State with: (i) the implementation of the recovery and resilience plan; (ii) the monitoring of progress on milestones and targets; and (iii) the reporting;

and

— the proposed milestones and targets are clear and realistic and the proposed indicators for those milestones and targets are relevant, acceptable and robust;

and

— the overall arrangements proposed by the Member States in terms of organisation (including provision to ensure sufficient staff allocation) of the implementation of the reforms and investments, are credible.

## Rating

A – adequate arrangements for effective implementation

B – minimum arrangements for effective implementation

C – insufficient arrangements for effective implementation

## Efficiency:

- 2.9. The justification provided by the Member State on the amount of the estimated total costs of the recovery and resilience plan is reasonable and plausible and is in line with the principle of cost efficiency and is commensurate to the expected national economic and social impact.

The Commission shall take into account the following elements for the assessment under this criterion:

## Scope

— the Member State provided sufficient information and evidence that the amount of the estimated total costs of the recovery and resilience plan is appropriate (reasonable);

and

— the Member State provided sufficient information and evidence that the amount of the estimated total costs of the recovery and resilience plan is in line with the nature and the type of the envisaged reforms and investments (plausible);

and

— the Member State provided sufficient information and evidence that the amount of the estimated total costs of the recovery and resilience plan to be financed under the Facility is not covered by existing or planned Union financing;

**▼B**

and

- the amount of the estimated total costs of the recovery and resilience plan is commensurate to the expected social and economic impact of the envisaged measures included on the Member State concerned.

Rating

A – to a high extent

B – to a medium extent

C – to a low extent

- 2.10. The arrangements proposed by the Member State concerned are expected to prevent, detect and correct corruption, fraud and conflicts of interests when using the funds provided under the Facility, including the arrangements that aim to avoid double funding from the Facility and other Union programmes.

The Commission shall take into account the following elements for the assessment under this criterion:

Scope

- the internal control system described in the recovery and resilience plan is based on robust processes and structures, and identifies clear actors (bodies/entities) and their roles and responsibilities for the performance of the internal control tasks; it notably ensures appropriate segregation of relevant functions;

and

- the control system and other relevant arrangements, including for the collection and making available of data on final recipients described in the recovery and resilience plan, in particular to prevent, detect and correct corruption, fraud and conflicts of interests when using the funds provided under the Facility are adequate;

and

- the arrangements described in the recovery and resilience plan to avoid double funding from the Facility and other Union programmes are adequate;

and

- the actors (bodies/entities) responsible for controls have the legal empowerment and administrative capacity to exercise their foreseen roles and tasks.

Rating

A – adequate arrangements

C – insufficient arrangements

Coherence:

- 2.11. The recovery and resilience plan contains measures for the implementation of reforms and public investment projects that represent coherent actions.

The Commission shall take into account the following elements for the assessment under this criterion:

Scope

- the recovery and resilience plan includes measures that contribute to reinforcing the effects of one another;

or

- the recovery and resilience plan includes measures that are complementary to one another.



**▼B**

Rating

A – to a high extent

B – to a medium extent

C – to a low extent

3. Determination of the financial contribution

In accordance with Article 20, the Commission proposal shall determine the financial contribution taking into account the importance and coherence of the recovery and resilience plan proposed by the Member State concerned, as assessed under the criteria set out in Article 19(3). For that purpose, it shall apply the following criteria:

- (a) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 19(3), and the amount of the estimated total costs of the recovery and resilience plan is equal to, or higher than, the maximum financial contribution calculated for that Member State in accordance with Article 11, the financial contribution allocated to the Member State concerned shall be equal to the total amount of the maximum financial contribution calculated for that Member State in accordance with Article 11;
- (b) where the recovery and resilience plan complies satisfactorily with the criteria set out in Article 19(3), and the amount of the estimated total costs of the recovery and resilience plan is lower than the maximum financial contribution calculated for that Member State in accordance with Article 11, the financial contribution allocated to the Member State shall be equal to the amount of the estimated total costs of the recovery and resilience plan;
- (c) where the recovery and resilience plan does not comply satisfactorily with the criteria set out in Article 19(3), no financial contribution shall be allocated to the Member State concerned.

**▼C1**

For the purpose of the implementation of this paragraph, the following formulae shall apply:

- for (a) above: If  $C_i \geq MFC_i$  the Member State  $i$  receives  $MFC_i$
- for (b) above: If  $C_i < MFC_i$  the Member State  $i$  receives  $C_i$

where:

- $i$  refers to the Member State concerned
- $MFC$  is the maximum financial contribution for the Member State concerned
- $C$  is the amount of the estimated total costs of the recovery and resilience plan.

**▼B**

As a result of the assessment process, and taking into account the ratings:

The recovery and resilience plan complies satisfactorily with the assessment criteria:

If the final ratings for the criteria under point 2 include scores with:

- an A for criteria 2.2, 2.3, 2.5 and 2.6;

and for the other criteria:

- all As,

or

- no majority of Bs over As and no Cs.

**▼B**

The recovery and resilience plan does not comply satisfactorily with the assessment criteria:

If the final ratings for the criteria under point 2 include scores with:

— not an A in criteria 2.2, 2.3, 2.5 and 2.6;

and for the other criteria:

— a majority of Bs over As,

or

— at least one C.



## ANNEX VI

**Methodology for climate tracking**

Dimensions and codes for the types of intervention for the Facility

|          | INTERVENTION FIELD  | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|----------|---|---|--|
| 001      | Investment in fixed assets, including research infrastructure, in micro enterprises directly linked to research and innovation activities   | 0 %   | 0 %  |
| 002      | Investment in fixed assets, including research infrastructure, in small and medium-sized enterprises (including private research centres) directly linked to research and innovation activities     | 0 %   | 0 %  |
| 002 bis1 | Investment in fixed assets in large, including research infrastructure, enterprises <sup>(1)</sup> directly linked to research and innovation activities  | 0 %   | 0 %  |
| 003      | Investment in fixed assets, including research infrastructure, in public research centres and higher education directly linked to research and innovation activities                                | 0 %   | 0 %  |
| 004      | Investment in intangible assets in micro enterprises directly linked to research and innovation activities  | 0 %   | 0 %  |
| 005      | Investment in intangible assets in SMEs (including private research centres) directly linked to research and innovation activities  | 0 %   | 0 %  |
| 005bis1  | Investment in intangible assets in large enterprises directly linked to research and innovation activities  | 0 %   | 0 %  |
| 006      | Investment in intangible assets in public research centres and higher education directly linked to research and innovation activities   | 0 %   | 0 %  |
| 007      | Research and innovation activities in micro enterprises including networking (industrial research, experimental development, feasibility studies)   | 0 %   | 0 %  |
| 008      | Research and innovation activities in SMEs, including networking  | 0 %   | 0 %  |
| 008bis1  | Research and innovation activities in large enterprises, including networking   | 0 %   | 0 %  |
| 009      | Research and innovation activities in public research centres, higher education and centres of competence including networking (industrial research, experimental development, feasibility studies) | 0 %   | 0 %  |
| 010      | Digitising SMEs (including e-commerce, e- business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B)                                | 0 %   | 0 %  |
| 010bis1  | Digitising large enterprises (including e-commerce, e-business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B)                    | 0 %   | 0 %  |

**▼B**

|        | INTERVENTION FIELD  | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|--------|---|---|--|
| 010ter | Digitising SMEs or large enterprises (including e-commerce, e-business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B) compliant with GHG emission reduction or energy efficiency criteria <sup>(2)</sup> | 40 %  | 0 %  |
| 011    | Government ICT solutions, e-services, applications  | 0 %   | 0 %  |
| 011bis | Government ICT solutions, e-services, applications compliant with GHG emission reduction or energy efficiency criteria <sup>(2)</sup>   | 40 %  | 0 %  |
| 012    | IT services and applications for digital skills and digital inclusion   | 0 %   | 0 %  |
| 013    | e-Health services and applications (including e-care, Internet of Things for physical activity and ambient assisted living)   | 0 %   | 0 %  |
| 014    | Business infrastructure for SMEs (including industrial parks and sites)   | 0 %   | 0 %  |
| 015    | SME business development and internationalisation, including productive investments   | 0 %   | 0 %  |
| 015bis | Support for large enterprises through financial instruments, including productive investments   | 0 %   | 0 %  |
| 016    | Skills development for smart specialisation, industrial transition, entrepreneurship and adaptability of enterprises to change  | 0 %   | 0 %  |
| 017    | Advanced support services for SMEs and groups of SMEs (including management, marketing and design services)   | 0 %   | 0 %  |
| 018    | Incubation, support to spin-offs and spin-outs and start-ups  | 0 %   | 0 %  |
| 019    | Support for Innovation clusters including between businesses, research organisations and public authorities and business networks primarily benefiting SMEs   | 0 %   | 0 %  |
| 020    | Innovation processes in SMEs (process, organisational, marketing, co-creation, user and demand driven innovation)   | 0 %   | 0 %  |
| 021    | Technology transfer and cooperation between enterprises, research centres and higher education sector   | 0 %   | 0 %  |
| 022    | Research and innovation processes, technology transfer and cooperation between enterprises focusing on the low carbon economy, resilience and adaptation to climate change  | 100 %   | 40 %   |
| 023    | Research and innovation processes, technology transfer and cooperation between enterprises focusing on circular economy   | 40 %  | 100 %  |
| 024    | Energy efficiency and demonstration projects in SMEs and supporting measures  | 40 %  | 40 %   |

▼ **B**

|         | INTERVENTION FIELD   | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|---------|--|---|--|
| 024bis  | Energy efficiency and demonstration projects in large enterprises and supporting measures  | 40 %  | 40 %   |
| 024ter  | Energy efficiency and demonstration projects in SMEs or large enterprises and supporting measures compliant with energy efficiency criteria <sup>(3)</sup>   | 100 %   | 40 %   |
| 025     | Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures   | 40 %  | 40 %   |
| 025bis  | Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures compliant with energy efficiency criteria <sup>(4)</sup>  | 100 %   | 40 %   |
| 025ter  | Construction of new energy efficient buildings <sup>(5)</sup>  | 40 %  | 40 %   |
| 026     | Energy efficiency renovation or energy efficiency measures regarding public infrastructure, demonstration projects and supporting measures   | 40 %  | 40 %   |
| 026bis  | Energy efficiency renovation or energy efficiency measures regarding public infrastructure, demonstration projects and supporting measures compliant with energy efficiency criteria <sup>(6)</sup>                                  | 100 %   | 40 %   |
| 027     | Support to enterprises that provide services contributing to the low carbon economy and to resilience to climate change including awareness-raising measures   | 100 %   | 40 %   |
| 028     | Renewable energy: wind   | 100 %   | 40 %   |
| 029     | Renewable energy: solar  | 100 %   | 40 %   |
| 030     | Renewable energy: biomass <sup>(7)</sup>   | 40 %  | 40 %   |
| 030bis  | Renewable energy: biomass with high GHG savings <sup>(8)</sup>   | 100 %   | 40 %   |
| 031     | Renewable energy: marine   | 100 %   | 40 %   |
| 032     | Other renewable energy (including geothermal energy)   | 100 %   | 40 %   |
| 033     | Smart Energy Systems (including smart grids and ICT systems) and related storage.  | 100 %   | 40 %   |
| 034     | High efficiency co-generation, district heating and cooling  | 40 %  | 40 %   |
| 034bis0 | High efficiency co-generation, efficient district heating and cooling with low lifecycle emissions <sup>(9)</sup>  | 100 %   | 40 %   |
| 034bis1 | Replacement of coal-based heating systems by gas-based heating systems for climate mitigation purposes   | 0 %   | 0 %  |
| 034bis2 | Distribution and transport of natural gas substituting coal  | 0 %   | 0 %  |
| 035     | Adaptation to climate change measures and prevention and management of climate related risks: floods (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches) | 100 %   | 100 %  |

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|        | INTERVENTION FIELD  | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|--------|---|---|--|
| 036    | Adaptation to climate change measures and prevention and management of climate related risks: fires (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)   | 100 %   | 100 %  |
| 037    | Adaptation to climate change measures and prevention and management of climate related risks: others, e.g. storms and drought (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)   | 100 %   | 100 %  |
| 038    | Risk prevention and management of non-climate-related natural risks (for example earthquakes) and risks linked to human activities (for example technological accidents), including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches | 0 %   | 100 %  |
| 039    | Provision of water for human consumption (extraction, treatment, storage and distribution infrastructure, efficiency measures, drinking water supply)   | 0 %   | 100 %  |
| 039bis | Provision of water for human consumption (extraction, treatment, storage and distribution infrastructure, efficiency measures, drinking water supply) compliant with efficiency criteria <sup>(10)</sup>  | 40 %  | 100 %  |
| 040    | Water management and water resource conservation (including river basin management, specific climate change adaptation measures, reuse, leakage reduction)  | 40 %  | 100 %  |
| 041    | Waste water collection and treatment  | 0 %   | 100 %  |
| 041bis | Waste water collection and treatment compliant with energy efficiency criteria <sup>(11)</sup>  | 40 %  | 100 %  |
| 042    | Household waste management: prevention, minimisation, sorting, reuse, recycling measures  | 40 %  | 100 %  |
| 042bis | Household waste management: residual waste management   | 0 %   | 100 %  |
| 044    | Commercial, industrial waste management: prevention, minimisation, sorting, reuse, recycling measures   | 40 %  | 100 %  |
| 044bis | Commercial, industrial waste management: residual and hazardous waste   | 0 %   | 100 %  |
| 045    | Promoting the use of recycled materials as raw materials  | 0 %   | 100 %  |
| 045bis | Use of recycled materials as raw materials compliant with the efficiency criteria <sup>(12)</sup>   | 100 %   | 100 %  |
| 046    | Rehabilitation of industrial sites and contaminated land  | 0 %   | 100 %  |
| 046bis | Rehabilitation of industrial sites and contaminated land compliant with efficiency criteria <sup>(13)</sup>   | 40 %  | 100 %  |
| 047    | Support to environmentally-friendly production processes and resource efficiency in SMEs  | 40 %  | 40 %   |

**▼B**

|        | INTERVENTION FIELD   | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|--------|--|---|--|
| 047bis | Support to environmentally-friendly production processes and resource efficiency in large enterprises  | 40 %  | 40 %   |
| 048    | Air quality and noise reduction measures   | 40 %  | 100 %  |
| 049    | Protection, restoration and sustainable use of Natura 2000 sites.  | 40 %  | 100 %  |
| 050    | Nature and biodiversity protection, natural heritage and resources, green and blue infrastructure  | 40 %  | 100 %  |
| 051    | ICT: Very High-Capacity broadband network (backbone/backhaul network)  | 0 %   | 0 %  |
| 052    | ICT: Very High-Capacity broadband network (access/local loop with a performance equivalent to an optical fibre installation up to the distribution point at the serving location for multi-dwelling premises)                              | 0 %   | 0 %  |
| 053    | ICT: Very High-Capacity broadband network (access/local loop with a performance equivalent to an optical fibre installation up to the distribution point at the serving location for homes and business premises)                          | 0 %   | 0 %  |
| 054    | ICT: Very High-Capacity broadband network (access/local loop with a performance equivalent to an optical fibre installation up to the base station for advanced wireless communication)  | 0 %   | 0 %  |
| 055    | ICT: Other types of ICT infrastructure (including large-scale computer resources/equipment, data centres, sensors and other wireless equipment)  | 0 %   | 0 %  |
| 055bis | ICT: Other types of ICT infrastructure (including large-scale computer resources/equipment, data centres, sensors and other wireless equipment) compliant with the carbon emission reduction and energy efficiency criteria <sup>(2)</sup> | 40 %  | 0 %  |
| 056    | Newly built or upgraded motorways and roads - TEN-T core network <sup>(14)</sup>   | 0 %   | 0 %  |
| 057    | Newly built or upgraded motorways and roads - TEN-T comprehensive network  | 0 %   | 0 %  |
| 058    | Newly built or upgraded secondary road links to TEN-T road network and nodes   | 0 %   | 0 %  |
| 059    | Newly built or upgraded other national, regional and local access roads  | 0 %   | 0 %  |
| 060    | Reconstructed or modernised motorways and roads - TEN-T core network   | 0 %   | 0 %  |
| 061    | Reconstructed or modernised motorways and roads - TEN-T comprehensive network  | 0 %   | 0 %  |
| 062    | Other reconstructed or modernised roads (motorway, national, regional or local)  | 0 %   | 0 %  |
| 063    | Digitalisation of transport: road  | 0 %   | 0 %  |
| 063bis | Digitalisation of transport when dedicated in part to GHG emissions reduction: road  | 40 %  | 0 %  |

**▼B**

|        | INTERVENTION FIELD   | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|--------|--|---|--|
| 064    | Newly built or upgraded railways - TEN-T core network  | 100 %   | 40 %   |
| 065    | Newly built or upgraded railways - TEN-T comprehensive network                                 | 100 %   | 40 %   |
| 066    | Other newly or upgraded built railways   | 40 %  | 40 %   |
| 066bis | Other newly or upgraded built railways – electric/zero emission <sup>(15)</sup>                | 100 %   | 40 %   |
| 067    | Reconstructed or modernised railways - TEN-T core network                                      | 100 %   | 40 %   |
| 068    | Reconstructed or modernised railways - TEN-T comprehensive network                             | 100 %   | 40 %   |
| 069    | Other reconstructed or modernised railways   | 40 %  | 40 %   |
| 069bis | Other reconstructed or modernised railways – electric/zero emission <sup>(15)</sup>            | 100 %   | 40 %   |
| 070    | Digitalisation of transport: rail  | 40 %  | 0 %  |
| 071    | European Rail Traffic Management System (ERTMS)  | 40 %  | 40 %   |
| 072    | Mobile rail assets   | 0 %   | 40 %   |
| 072bis | Mobile zero emission/electric powered <sup>(16)</sup> rail assets                              | 100 %   | 40 %   |
| 073    | Clean urban transport infrastructure <sup>(17)</sup>   | 100 %   | 40 %   |
| 074    | Clean urban transport rolling stock <sup>(18)</sup>  | 100 %   | 40 %   |
| 075    | Cycling infrastructure   | 100 %   | 100 %  |
| 076    | Digitalisation of urban transport  | 0 %   | 0 %  |
| 076bis | Digitalisation of transport when dedicated in part to GHG emissions reduction: urban transport | 40 %  | 0 %  |
| 077    | Alternative fuels infrastructure <sup>(19)</sup>   | 100 %   | 40 %   |
| 078    | Multimodal transport (TEN-T)   | 40 %  | 40 %   |
| 079    | Multimodal transport (not urban)   | 40 %  | 40 %   |
| 080    | Seaports (TEN-T)   | 0 %   | 0 %  |
| 080bis | Seaports (TEN-T) excluding facilities dedicated to transport of fossil fuels                   | 40 %  | 0 %  |
| 081    | Other seaports   | 0 %   | 0 %  |
| 081bis | Other seaports excluding facilities dedicated to transport of fossil fuels                     | 40 %  | 0 %  |
| 082    | Inland waterways and ports (TEN-T)   | 0 %   | 0 %  |
| 082bis | Inland waterways and ports (TEN-T) excluding facilities dedicated to transport of fossil fuels | 40 %  | 0 %  |



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|         | INTERVENTION FIELD   | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|---------|--|---|--|
| 083     | Inland waterways and ports (regional and local)  | 0 %   | 0 %  |
| 083bis0 | Inland waterways and ports (regional and local) excluding facilities dedicated to transport of fossil fuels  | 40 %  | 0 %  |
| 083bis1 | Security, safety and air traffic management systems, for existing airports   | 0 %   | 0 %  |
| 084     | Digitising transport: other transport modes  | 0 %   | 0 %  |
| 084bis  | Digitising transport when dedicated in part to GHG emissions reduction: other transport modes  | 40 %  | 0 %  |
| 085     | Infrastructure for early childhood education and care  | 0 %   | 0 %  |
| 086     | Infrastructure for primary and secondary education   | 0 %   | 0 %  |
| 087     | Infrastructure for tertiary education  | 0 %   | 0 %  |
| 088     | Infrastructure for vocational education and training and adult learning  | 0 %   | 0 %  |
| 089     | Housing infrastructure for migrants, refugees and persons under or applying for international protection   | 0 %   | 0 %  |
| 090     | Housing infrastructure (other than for migrants, refugees and persons under or applying for international protection)  | 0 %   | 0 %  |
| 091     | Other social infrastructure contributing to social inclusion in the community  | 0 %   | 0 %  |
| 092     | Health infrastructure  | 0 %   | 0 %  |
| 093     | Health equipment   | 0 %   | 0 %  |
| 094     | Health mobile assets   | 0 %   | 0 %  |
| 095     | Digitalisation in health care  | 0 %   | 0 %  |
| 096     | Temporary reception infrastructure for migrants, refugees and persons under or applying for international protection   | 0 %   | 0 %  |
| 097     | Measures to improve access to employment   | 0 %   | 0 %  |
| 098     | Measures to promote access to employment of long-term unemployed   | 0 %   | 0 %  |
| 099     | Specific support for youth employment and socio-economic integration of young people   | 0 %   | 0 %  |
| 100     | Support for self-employment and business start-ups   | 0 %   | 0 %  |
| 101     | Support for social economy and social enterprises  | 0 %   | 0 %  |
| 102     | Measures to modernise and strengthen labour market institutions and services to assess and anticipate skills needs and to ensure timely and tailor-made assistance | 0 %   | 0 %  |

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|     | INTERVENTION FIELD  | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|-----|---|---|--|
| 103 | Support for labour market matching and transitions  | 0 %   | 0 %  |
| 104 | Support for labour mobility   | 0 %   | 0 %  |
| 105 | Measures to promote women's labour market participation and reduce gender-based segregation in the labour market                  | 0 %   | 0 %  |
| 106 | Measures promoting work-life balance, including access to childcare and care for dependent persons                                | 0 %   | 0 %  |
| 107 | Measures for a healthy and well-adapted working environment addressing health risks, including promotion of physical activity     | 0 %   | 0 %  |
| 108 | Support for the development of digital skills   | 0 %   | 0 %  |
| 109 | Support for adaptation of workers, enterprises and entrepreneurs to change  | 0 %   | 0 %  |
| 110 | Measures encouraging active and healthy ageing  | 0 %   | 0 %  |
| 111 | Support for early childhood education and care (excluding infrastructure)   | 0 %   | 0 %  |
| 112 | Support for primary to secondary education (excluding infrastructure)   | 0 %   | 0 %  |
| 113 | Support for tertiary education (excluding infrastructure)   | 0 %   | 0 %  |
| 114 | Support for adult education (excluding infrastructure)  | 0 %   | 0 %  |
| 115 | Measures to promote equal opportunities and active participation in society   | 0 %   | 0 %  |
| 116 | Pathways to integration and re-entry into employment for disadvantaged people   | 0 %   | 0 %  |
| 117 | Measures to improve access of marginalised groups such as the Roma to education, employment and to promote their social inclusion | 0 %   | 0 %  |
| 118 | Support to the civil society working with marginalised communities such as the Roma   | 0 %   | 0 %  |
| 119 | Specific actions to increase participation of third-country nationals in employment   | 0 %   | 0 %  |
| 120 | Measures for the social integration of third-country nationals  | 0 %   | 0 %  |
| 121 | Measures to enhancing the equal and timely access to quality, sustainable and affordable services                                 | 0 %   | 0 %  |
| 122 | Measures to enhancing the delivery of family and community-based care services  | 0 %   | 0 %  |
| 123 | Measures to improve the accessibility, effectiveness and resilience of healthcare systems (excluding infrastructure)              | 0 %   | 0 %  |

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|         | INTERVENTION FIELD  | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|---------|---|---|--|
| 124     | Measures to improve access to long-term care (excluding infrastructure)   | 0 %   | 0 %  |
| 125     | Measures to modernise social protection systems, including promoting access to social protection  | 0 %   | 0 %  |
| 126     | Promoting social integration of people at risk of poverty or social exclusion, including the most deprived and children   | 0 %   | 0 %  |
| 127     | Addressing material deprivation through food and/or material assistance to the most deprived, including accompanying measures   | 0 %   | 0 %  |
| 128     | Protection, development and promotion of public tourism assets and tourism services   | 0 %   | 0 %  |
| 129     | Protection, development and promotion of cultural heritage and cultural services  | 0 %   | 0 %  |
| 130     | Protection, development and promotion of natural heritage and eco-tourism other than Natura 2000 sites  | 0 %   | 100 %  |
| 131     | Physical regeneration and security of public spaces   | 0 %   | 0 %  |
| 131bis  | Territorial development initiatives, including preparation of territorial strategies  | 0 %   | 0 %  |
| 132     | Improve the capacity of programme authorities and bodies linked to the implementation of the Funds  | 0 %   | 0 %  |
| 133     | Enhancing cooperation with partners both within and outside the Member State  | 0 %   | 0 %  |
| 134     | Cross-financing under the ERDF (support to ESF-type actions necessary for the implementation of the ERDF part of the operation and directly linked to it)   | 0 %   | 0 %  |
| 135     | Enhancing institutional capacity of public authorities and stakeholders to implement territorial cooperation projects and initiatives in a cross-border, transnational, maritime and inter-regional context | 0 %   | 0 %  |
| 135 bis | Interreg: border crossing management and mobility and migration management  | 0 %   | 0 %  |
| 136     | Outermost regions: compensation of any additional costs due to accessibility deficit and territorial fragmentation  | 0 %   | 0 %  |
| 137     | Outermost regions: specific action to compensate additional costs due to size market factors  | 0 %   | 0 %  |
| 138     | Outermost regions: support to compensate additional costs due to climate conditions and relief difficulties   | 40 %  | 40 %   |
| 139     | Outermost regions: airports   | 0 %   | 0 %  |
| 140     | Information and communication   | 0 %   | 0 %  |
| 141     | Preparation, implementation, monitoring and control   | 0 %   | 0 %  |



|     | INTERVENTION FIELD   | Coefficient for the calculation of support to climate change objectives | Coefficient for the calculation of support to environmental objectives |
|-----|--|---|--|
| 142 | Evaluation and studies, data collection  | 0 %   | 0 %  |
| 143 | Reinforcement of the capacity of Member State authorities, beneficiaries and relevant partners | 0 %   | 0 %  |
| 01  | Contributing to green skills and jobs and the green economy                                    | 100 %   |  |

<sup>(1)</sup> Large enterprises are all enterprises other than SMEs, including small mid-cap companies.

<sup>(2)</sup> If the objective of the measure is that the activity has to process or collect data to enable GHG emission reductions that result in demonstrated substantial life-cycle GHG emissions savings. If the objective of the measure requires data centres to comply with “European Code of Conduct on Data Centre Energy Efficiency”.

<sup>(3)</sup> (a) If the objective of the measure is to achieve, on average, at least a medium-depth level renovation as defined in Commission Recommendation on Building Renovation (EU) 2019/786 or (b) if the objective of the measures is to achieve, on average, at least a 30 % reduction of direct and indirect GHG emissions compared to the ex-ante emissions.

<sup>(4)</sup> If the objective of the measure is to achieve, on average, at least a medium-depth level renovation as defined in Commission Recommendation on Building Renovation (EU) 2019/786. The renovation of buildings is also meant to include infrastructure in the sense of intervention fields 85 to 92.

<sup>(5)</sup> If the objective of the measures concerns the construction of new buildings with a Primary Energy Demand (PED) that is at least 20 % lower than the NZEB requirement (nearly zero-energy building, national directives). The construction of new energy efficient buildings is also meant to include infrastructure in the sense of intervention fields 85 to 92.

<sup>(6)</sup> If the objective of the measure is (a) to achieve, on average, at least a medium-depth level renovation as defined in Commission Recommendation on Building Renovation (EU) 2019/786 or (b) to achieve, on average, at least a 30 % reduction of direct and indirect GHG emissions compared to the ex-ante emissions. The renovation of buildings is also meant to include infrastructure in the sense of intervention fields 85 to 92.

<sup>(7)</sup> If the objective of the measure relates to the production of electricity or heat from biomass in line with Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).

<sup>(8)</sup> If the objective of the measure relates to the production of electricity or heat from biomass in line with Directive (EU) 2018/2001; and if the objective of the measure is to achieve at least 80 % GHG emission savings at the facility from the use of biomass in relation to the GHG saving methodology and the relative fossil fuel comparator set out in Annex VI to Directive (EU) 2018/2001. If the objective of the measure relates to the production of biofuel from biomass (excluding food and feed crops), in line with Directive (EU) 2018/2001; and if the objective of the measure is to achieve at least 65 % GHG emission savings at the facility from the use of biomass for this purpose in relation to the GHG saving methodology and the relative fossil fuel comparator set out in Annex V to Directive (EU) 2018/2001.

<sup>(9)</sup> In case of high-efficiency cogeneration, if the objective of the measure is to achieve life cycle emissions that are lower than 100gCO<sub>2</sub>e/kWh or heat/cool produced from waste heat. In case of district heating/cooling, if the associated infrastructure follows the Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1) or the existing infrastructure is refurbished to meet the definition of the efficient district heating and cooling, or the project is an advanced pilot system (control and energy management systems, Internet of Things) or leads to a lower temperature regime in the district heating and cooling system.

<sup>(10)</sup> If the objective of the measure is for the constructed system to have an average energy consumption of ≤ 0,5 kWh or an Infrastructure Leakage Index (ILI) of ≤ 1,5, and for the renovation activity to decrease the average energy consumption by more than 20 % or decrease leakage by more than 20 %.

<sup>(11)</sup> If the objective of the measure for the constructed front-to-end waste water system to have net zero energy use or for the renewal of the front-to-end waste water system to lead to a decreased average energy use by at least 10 % (solely by energy efficiency measures and not by material changes or changes in load).

<sup>(12)</sup> If the objective of the measure is to convert at least 50 %, in terms of weight, of the processed separately collected non-hazardous waste into secondary raw materials.

<sup>(13)</sup> If the objective of the measure is to turn industrial sites and contaminated land into a natural carbon sink.

<sup>(14)</sup> For intervention fields 56 to 62, intervention fields 73, 74 and 77 can be used for elements of the measures that relate to interventions in alternative fuels, including EV charging, or public transport.

<sup>(15)</sup> If the objective of the measure relates to electrified trackside and associated subsystems or if there is a plan for electrification or it will be fit for use by zero tailpipe emission trains within 10 years.

<sup>(16)</sup> Also applies to bi-mode trains.

<sup>(17)</sup> Clean urban transport infrastructure refers to infrastructure that enables the operation of zero-emission rolling stock.

<sup>(18)</sup> Clean urban transport rolling stock refers to zero-emission rolling stock.

<sup>(19)</sup> If the objective of the measure is in line with Directive (EU) 2018/2001.



## ANNEX VII

**Methodology for digital tagging under the Facility**

Methodology for digital tagging:

Intervention table

| Code   | Intervention field and type of intervention <sup>(1)</sup>   | Coefficient for the calculation of support to digital transition |
|--------|--|--|
|        | Intervention field 1: Connectivity<br>DESI dimension 1: Connectivity   |  |
| 051    | Very High-Capacity broadband network (backbone/backhaul network) <sup>(2)</sup>  | 100 %  |
| 052    | Very High-Capacity broadband network (access/local loop with a performance equivalent to an optical fibre installation up to the distribution point at the serving location for multi-dwelling premises)   | 100 %  |
| 053    | Very High-Capacity broadband network (access/local loop with a performance equivalent to an optical fibre installation up to the distribution point at the serving location for homes and business premises)   | 100 %  |
| 054    | Very High-Capacity broadband network (access/local loop with a performance equivalent to an optical fibre installation up to the base station for advanced wireless communication) <sup>(3)</sup>  | 100 %  |
| 054bis | 5G network coverage, including uninterrupted provision of connectivity along transport paths; Gigabit connectivity (networks offering at least 1 Gbps symmetric) for socio-economic drivers, such as schools, transport hubs and main providers of public services | 100 %  |
| 054ter | Mobile data connectivity with wide territorial coverage  | 100 %  |
|        | Intervention field 2: Digital-related investment in R&D<br>DESI: "The EU ICT Sector and its R&D Performance"   |  |
| 009bis | Investment in digital-related R&I activities (including excellence research centres, industrial research, experimental development, feasibility studies, acquisition of fixed or intangible assets for digital related R&I activities)                             | 100 %  |
|        | Intervention field 3: Human Capital<br>DESI dimension 2: Human Capital   |  |
| 012    | IT services and applications for digital skills and digital inclusion <sup>(4)</sup>   | 100 %  |
| 016    | Skills development for smart specialisation, industrial transition, entrepreneurship, and adaptability of enterprises to change  | 40 %   |
| 108    | Support for the development of digital skills <sup>(5)</sup>   | 100 %  |
| 099    | Specific support for youth employment and socio-economic integration of young people   | 40 %   |
| 100    | Support for self-employment and business start-ups   | 40 %   |
|        | Intervention field 4: e-government, digital public services and local digital ecosystems<br>DESI dimension 5: Digital Public services  |  |
| 011    | Government ICT solutions, e-services, applications <sup>(6)</sup>  | 100 %  |
| 011bis | Government ICT solutions, e-services, applications compliant with GHG emission reduction or energy efficiency criteria <sup>(7)</sup>  | 100 %  |

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| Code      | Intervention field and type of intervention <sup>(1)</sup>  | Coefficient for the calculation of support to digital transition |
|-----------|---|--|
| 011ter    | Deployment of the European digital identity scheme for public and private use   | 100 %  |
| 013       | e-Health services and applications (including e-Care, Internet of Things for physical activity and ambient assisted living)   | 100 %  |
| 095       | Digitalisation in health care   | 100 %  |
| 063       | Digitalisation of transport: road   | 100 %  |
| 063bis    | Digitalisation of transport when dedicated in part to GHG emissions reduction: road   | 100 %  |
| 070       | Digitalisation of transport: rail   | 100 %  |
| 071       | European Rail Traffic Management System (ERTMS)   | 100 %  |
| 076       | Digitalisation of urban transport   | 100 %  |
| 076bis    | Digitalisation of transport when dedicated in part to GHG emissions reduction: urban transport  | 100 %  |
| 084       | Digitising transport: other transport modes   | 100 %  |
| 084bis    | Digitising transport when dedicated in part to GHG emissions reduction: other transport modes   | 100 %  |
| 033       | Smart Energy Systems (including smart grids and ICT systems) and related storage  | 40 %   |
| 011quater | Digitalisation of Justice Systems   | 100 %  |
|           | Intervention field 5: Digitalisation of businesses<br>DESI dimension 4: Integration of digital technologies   |  |
| 010       | Digitising SMEs (including e-Commerce, e-Business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B)   | 100 %  |
| 010bis    | Digitising large enterprises (including e-Commerce, e-Business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B)  | 100 %  |
| 010ter    | Digitising SMEs or large enterprises (including e-Commerce, e-Business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B) compliant with GHG emission reduction or energy efficiency criteria <sup>(7)</sup> | 100 %  |
| 014       | Business infrastructure for SMEs (including industrial parks and sites) <sup>(8)</sup>  | 40 %   |
| 015       | SME business development and internationalisation, including productive investments <sup>(8)</sup>  | 40 %   |
| 017       | Advanced support services for SMEs and groups of SMEs (including management, marketing and design services) <sup>(8)</sup>  | 40 %   |
| 018       | Incubation, support to spin offs and spin outs and start ups <sup>(8)</sup>   | 40 %   |
| 019       | Support for innovation clusters including between businesses, research organisations and public authorities and business networks primarily benefiting SMEs <sup>(8)</sup> <sup>(9)</sup>   | 40 %   |

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| Code         | Intervention field and type of intervention <sup>(1)</sup>  | Coefficient for the calculation of support to digital transition |
|--------------|---|--|
| 020          | Innovation processes in SMEs (process, organisational, marketing, co-creation, user and demand driven innovation) <sup>(8)</sup>  | 40 %   |
| 021          | Technology transfer and cooperation between enterprises, research centres and higher education sector <sup>(8)</sup>  | 40 %   |
| 021bis       | Support to digital content production and distribution  | 100 %  |
|              | Intervention field 6: Investment in digital capacities and deployment of advanced technologies<br>DESI dimension 4: Integration of digital technologies + ad hoc data collections   |  |
| 055          | Other types of ICT infrastructure (including large-scale computer resources/equipment, data centres, sensors and other wireless equipment)  | 100 %  |
| 055bis       | Other types of ICT infrastructure (including large-scale computer resources/equipment, data centres, sensors and other wireless equipment) compliant with the carbon emission reduction and energy efficiency criteria <sup>(7)</sup>   | 100 %  |
| 021ter       | Development of highly specialised support services and facilities for public administrations and businesses (national HPC Competence Centres, Cyber Centres, AI testing and experimentation facilities, blockchain, Internet of Things, etc.)   | 100 %  |
| 021quater    | Investment in advanced technologies such as: High-Performance Computing and Quantum computing capacities/Quantum communication capacities (including quantum encryption); in microelectronics design, production and system-integration; next generation of European data, cloud and edge capacities (infrastructures, platforms and services); virtual and augmented reality, DeepTech and other digital advanced technologies. Investment in securing the digital supply chain. | 100 %  |
| 021quinquies | Development and deployment of cybersecurity technologies, measures and support facilities for public and private sector users.  | 100 %  |
|              | Intervention field 7: Greening the digital sector   |  |
| 027bis       | Investment in technologies, skills, infrastructures and solutions that improve the energy efficiency and ensure climate neutrality of data centres and networks.  | 100 %  |

<sup>(1)</sup> The description of interventions in this table are without prejudice to compliance with competition rules, in particular to ensure that interventions do not crowd out private investments.

<sup>(2)</sup> Including submarine cables within and between Member States and between the Union and third countries.

<sup>(3)</sup> Including 5G and 6G networks.

<sup>(4)</sup> Including: measures to support the digitalisation of education and training institutions (including investments in ICT infrastructure), including for vocational education and training and adult learning.

<sup>(5)</sup> This refers to digital skills at all levels and includes: highly specialised education programmes to train digital specialists (that is technology focused programmes); training of teachers, development of digital content for education purposes and relevant organisational capabilities. This also includes measures and programmes aimed at improving basic digital skills.

<sup>(6)</sup> Including use of advanced technologies (such as high performance computing, cybersecurity or artificial intelligence) for public services and decision making and interoperability of digital public services and infrastructures (regional, national and cross border).

<sup>(7)</sup> If the objective of the measure is that the activity has to process or collect data to enable GHG emission reductions that result in demonstrated substantial life-cycle GHG emissions savings. If the objective of the measure requires data centres to comply with "European Code of Conduct on Data Centre Energy Efficiency".

<sup>(8)</sup> The 40 % digital co-efficient should only be applied, where intervention is focused on elements directly linked to digitalisation of business, including for instance digital products, ICT assets, etc.

<sup>(9)</sup> Including social economy entities.