



European
Commission

Next
Gen
EU

IMPLEMENTATION OF THE RECOVERY AND RESILIENCE FACILITY

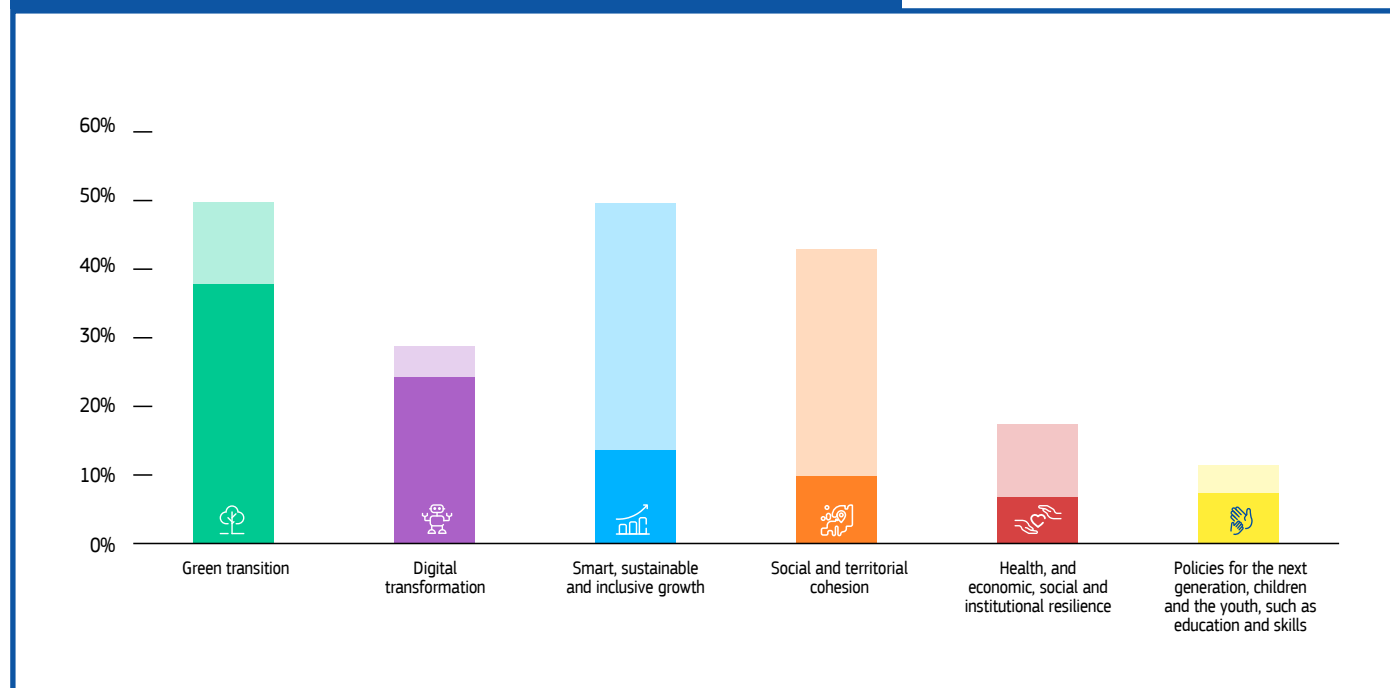
ANNUAL REPORT

#NextGenEU | FEBRUARY 2022

Preparing the future – RRF contribution to EU priorities

The RRF Regulation provides that the reforms and investments included in recovery and resilience plans should contribute to six policy pillars.

Share of RRF funds contributing to each policy pillar



Legend: The darker-coloured parts of the columns represent those measures which have been assigned to the policy pillar as primary policy area, while the lighter-coloured parts represent measures assigned as secondary policy area. These assignments reflect that reforms and investments can contribute to multiple policy pillars. Therefore, the total contribution to all pillars amounts to double of the estimated cost of approved RRFs.

Pillar 1 | Contribution to the green transition



€224.1 billion

The reforms and investments in the 22 adopted plans contributing to the green transition amount to €224.1 billion. They include measures addressing both climate and environmental objectives, for example by supporting sustainable mobility, energy efficiency, renewable energy, climate change adaptation, circular economy, and biodiversity. The climate expenditure in the 22 adopted plans exceeds the 37% climate target set out in the RRF Regulation.

Examples of reforms and investments



Romania's plan includes key regulatory changes to incentivise zero-emission road transport, incentives for zero-emission and low-emission vehicles, and scrapping schemes to replace the most polluting vehicles.



Spain's plan will support more than half a million energy renovation actions in residential buildings by 2026, achieving on average a primary energy demand reduction of at least 30%.

Pillar 2 | Contribution to the digital transformation



€130 billion

A total of almost €130 billion of estimated expenditure is allocated to the digital transformation pillar. This includes reforms and investments aiming to promote the roll-out of very high capacity networks, the digitalisation of public services and businesses, the development digital skills for the population and workforce as well as measures supporting digital-related R&D and the deployment of advanced technologies. The digital expenditure in the 22 adopted plans exceeds the 20% digital target set out in the RRF Regulation.

Examples of reforms and investments



Croatia's plan includes an investment to create a digital mobile e-service platform to enable citizens to easily use online public services on their smartphones.



Latvia's plan includes a measure to significantly increase the number of specialists with advanced digital skills by developing higher education programmes, for instance in quantum, high performance computing, and language technologies.

Pillar 3 | Contribution to smart, sustainable and inclusive growth



€223 billion

Measures contributing to the smart, sustainable and inclusive growth pillar concern more than a thousand measures in the 22 adopted plans, for a total of around €223 billion. These measures concern very diverse areas, from support to SMEs to research and development and innovation, to reforms to improve the business environment or competitiveness.

Examples of reforms and investments



Denmark's plan includes reforms to provide the public and private sectors with incentives to boost R&D, particularly in innovative green technologies.



Greece's plan includes several investments promoting access to finance for Greek firms including SMEs through a loan facility scheme.

Pillar 4 | Contribution to social and territorial cohesion



€193 billion

Measures supporting social and territorial cohesion amount to €193 billion of estimated expenditure in the 22 adopted plans. Measures aiming at territorial cohesion include large infrastructure investments, social policies such as social protection and social housing and measures contributing to employment and skills.

Examples of reforms and investments



Cyprus' plan will support the upgrade of flood channels in Livadia, the construction of a rainwater collection network of 4 600 meters in length in Kladeri, and of a sewer system in Nicosia.



Italy's plan includes investments to support women's participation in the labour market, including by investing in childcare facilities.

Pillar 5 | Contribution to health, and economic, social and institutional resilience



€78 billion

Measures supporting this pillar in the 22 adopted plans amount to expenditure totalling €78 billion. Funding is focused on strengthening health care and reforming public administration. All recovery and resilience plans include measures related to health care, showing Member States' strong commitment towards improving health systems across the Union.

Examples of reforms and investments



Belgium's plan includes important investments in nuclear medicine initiatives aimed at constructing a prototype facility for a sustainable production of medical radioisotopes, and targeted at developing a research programme for the next generation of therapeutic radioisotopes in cancer treatment.



Finland's plan will support national and regional actors to develop digital services targeting citizens, professional systems, and management solutions.

Pillar 6 | Contribution to policies for the next generation, children and the youth, such as education and skills



€49 billion

In total, measures related to Pillar 6 account for €49 billion in the 22 adopted plans. Investments and reforms cover early childhood education and care, general primary and secondary school education, initial vocational education and training, and higher education.

Examples of reforms and investments



Slovakia's plan includes a curricular reform in primary and lower secondary education, which aims to create new learning content to improve pupils' and teachers' skills.



France's plan includes a financial subsidy for employers of apprentices during their first year of contract, adding up to maximum €8,000 for over 18-year-olds, and €5,000 for minors.