



Council of the
European Union

Brussels, 17 September 2020
(OR. en)

10889/20
ADD 1

ECOFIN 812
UEM 301
SOC 547
EMPL 402
COMPET 412
ENV 527
EDUC 320
RECH 318
ENER 298
JAI 712

COVER NOTE

From: Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director

date of receipt: 17 September 2020

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union

No. Cion doc.: SWD(2020) 205 final

Subject: COMMISSION STAFF WORKING DOCUMENT **GUIDANCE TO MEMBER STATES RECOVERY AND RESILIENCE PLANS**
- Part 2

Delegations will find attached document SWD(2020) 205 final.

Encl.: SWD(2020) 205 final



Brussels, 17.9.2020
SWD(2020) 205 final

PART 2/2

COMMISSION STAFF WORKING DOCUMENT

GUIDANCE TO MEMBER STATES

RECOVERY AND RESILIENCE PLANS

TEMPLATE

RECOVERY AND RESILIENCE PLANS

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DISCLAIMER

This template is to be taken as the structure for Member States to draft their recovery and resilience plans. The template should be read in line with the accompanying guidance, which contains further instructions and is subject to change depending on the outcome of the legislative process on the Regulation on the Recovery and Resilience Facility.

PART 1: GENERAL OBJECTIVES AND COHERENCE OF THE PLAN

This section covers the recovery and resilience plan as a whole. Indicative length: 5-8 pages.

1. Executive summary

Member States are invited to describe in this section the main challenges that they are facing and how addressing them through the recovery and resilience plan will contribute to 1) promoting the Union's economic, social and territorial cohesion; 2) strengthening the economic and social resilience and adjustment capacity; 3) mitigating the social, and economic impact of the crisis; and 4) supporting the green and digital transitions.

Member States are invited to list the flagships that will benefit from funding from the Recovery and Resilience Facility.

Flagship	National baseline	Investments	Reforms	Expected contribution to reaching EU objectives
<i>Power up</i>				
<i>Renovate</i>				
<i>Recharge and refuel</i>				
<i>Connect</i>				
<i>Modernise</i>				
<i>Scale-up</i>				
<i>Reskill and upskill</i>				

Explanation: Baseline: Member States are invited to describe the baseline scenario (existing national strategies and targets) and how they can be further developed to meet the EU-wide ambitions of each flagship. Investment and reforms: Please describe the planned investments and reforms. Contribution to reaching EU objectives: Please describe how the measures supported by the Facility contribute to the EU-wide ambitions of each flagship.

2. Link with the European Semester

Member States should provide a detailed explanation of how the challenges identified in the country-specific recommendations, in particular the 2019 and 2020 Semester cycles, are addressed by the proposed measures.

3. Coherence

Member States should demonstrate coherence and links within each component of the plan and of the overall plan, and in particular the coherence between reform and investment dimensions.

PART 2: DESCRIPTION OF REFORMS AND INVESTMENTS

This section covers each component of the recovery and resilience plan separately. Each component can include one or several reforms and/or investments. Indicative length: 10 pages per component, depending on the nature of each component.

For each component of the plan, please provide the information below. Each component should be focused on a specific challenge or need, and may include one or several closely linked or mutually dependent reforms and investments.

A. COMPONENT 1: [Insert title]

1. Description of the component

Member States are invited to fill in the summary box below.

Summary box [title of component] *Indicative length: max 1 page*

Policy area/domain:

Objective:

Reforms and/or investments¹:

Estimated cost: *Please indicate here the estimated overall cost of the component and the cost to be covered by the Recovery and Resilience Facility.*

2. Main challenges and objectives

Member States are invited to provide a clear and evidence-based analysis of the challenges addressed (including, where relevant, type and extent of market failures, specific investment barriers, specific administrative obstacles) and the objectives of the component, including its expected impacts (e.g. on employment, growth, resilience, climate change, the environment, the digital transition, public health or social cohesion). It should be explained how the set of reforms and investments envisaged under a given component fits within an overall national strategic context in the relevant policy field.

- a) Main challenges
- b) Objectives

3. Description of the reforms and investments of the component

Member States are invited to describe in detail the component and its specific reforms and investments, as well as their interlinkages and synergies.

For reforms:

- *Member States should provide a clear and evidence-based analysis of the challenges addressed and the objectives of the reform.*

¹ Including COFOG (General government expenditure by function) classification.

- Detailed information should be provided about who (e.g. business in general, small and medium sized enterprises [SMEs], specific sectors, the general population, families, students, sectoral workers) and/or what is targeted by the reform.
- Member States should clearly describe how the reform is implemented (means of implementation) including which administrations – central and/or local – will be involved, how they will coordinate among themselves and ensure they have the capacity to ensure the successful implementation of the reform.
- Member State are invited to include a summary of the stakeholders' involvement.
- The main expected impediments to the reform and the related solution strategies should be substantiated.
- The overall timeline of the implementation of the reform should be described and be in line with the timeline of the Facility.

For investments:

- Member States should provide a clear and evidence-based analysis of the challenges addressed and the objectives of the investment.
- Detailed information should be provided about who (e.g. businesses in general, SMEs, the general population, families, students, sectoral workers) and/or what (e.g. installed capacity of renewable hydrogen electrolyzers) is targeted by the investment.
- Description of how the investment is implemented (means of implementation) should be included. This should refer to the administrative capacity of the Member State at both central and local levels, explain how the funds will be absorbed in a timely manner and how the funds are channelled to sub-national levels (if applicable).
- The nature and size of the investment should be described.
- The timeline of the investment should be described and be in line with the timeline of the Facility.

4. Green and digital dimensions of the component

Member States should explain to what extent the component will contribute to the green and/or digital transitions. As further detailed in the guidance, Member States should also explain how each investment and reform contributes to the 37% climate mainstreaming target. They are invited to indicate in detail and based on evidence whether and how they will ensure that all planned measures respect the “do no significant harm” principle. When explaining to what extent the proposed measures contribute to the green transition or the challenges resulting from it, Member States are invited to take into account, where possible, the six climate and environmental objectives defined in Regulation 2020/852 (Taxonomy Regulation). They are also invited to explain and provide evidence how the component will contribute to reaching the EU's 2030 climate target and climate neutrality by 2050 and how the component relates to targets, objectives, contributions, policies and measures of National Energy and Climate Plans.

For the digital transition and its related challenges, in line with the Commission's proposal, Member States should explain how they would reach the 20% target of expenditure related to digital, as explained in the guidance. When explaining to what extent the proposed measures contribute to the digital transition or the challenges resulting from it, Member States should take into account the six objectives mentioned under Part 2, section 4 of the guidance as reproduced in Table [1.b] in the Annex of this template. Member States are also invited to take as a reference, wherever possible, existing indicators such as those included in the Digital Economy and Society Index (DESI).

Tables 1: Impact on green and digital transition. *Member States are invited to fill in the excel tables on Green Impact and Digital Impact. The tags and intervention fields for the climate objective need to be filled in line with the methodology for climate tracking applied for cohesion policy funds, in particular as set out in Table 1, Table 4 and Table 6 of Annex I to [Common Provision Regulation COM(2018) 375]. The full version of the tables included in the Annex will be provided to Member States in excel format.*

5. Milestones, targets and timeline

Member States should indicate the milestones and targets that will reflect the progress on implementing reforms and investments of the component and will be tied to disbursements. For each milestone and target, Member States are invited to indicate:

- *what the milestone/target is measuring;*
- *how this is measured and what methodology and source are used;*
- *what is the baseline and what it aims to reach;*
- *by when it should be reached;*
- *who and which institution will be in charge of it;*
- *why they have chosen this specific milestone/target.*

Please refer to the guidance for more detailed information and instructions.

Table 2: Milestones and targets. *For monitoring purposes, Member States are invited to fill in the excel table Milestones and targets according to the instructions in the guidance. Its example is provided in annex 1. The full version of the tables included in the Annex will be provided to Member States in excel format.*

6. Financing and costs

Member States should provide information on the total estimated cost of the component, backed up by appropriate justification. This could include an explanation of:

- *Which reforms and investments will entail a specific cost;*
- *Within what timeframe these costs are expected to be incurred;*
- *Any information on what financing from other Union instruments is/could be foreseen related to the same component;*
- *Whether this component is covered by a potential request for additional financing with loans.*

In case similar measures are funded through other EU programmes, please state consistency with costing methodologies used for the EU funded measures.

This should be complemented by the appropriate detailed justification on the plausibility and reasonability of the estimated costs, as explained in the guidance. The justification can be annexed to the recovery and resilience plan.

Table 3: Estimated cost of the plan. *Member States are invited to fill in the excel table Estimated cost of the plan. An example is provided in annex 1. The full version of the tables included in the Annex will be provided to Member States in excel format.*

7. Loan request justification (if applicable)

Financial needs: Member States should explain the reasons for loan support, justified by higher financial needs linked to additional reforms and investments set out as regular components of the recovery and resilience plan.

Additional reforms and investments: For each of the components supported by a loan, Member States should describe them including all elements mentioned in part 2 sections 1 to 6.

PART 3: COMPLEMENTARITY AND IMPLEMENTATION OF THE PLAN

This part concerns the whole plan. Member States are therefore invited to justify the various criteria mentioned below for the plan as a whole. Indicative length: 5-8 pages.

1. Consistency with other initiatives

Member States should provide an explanation on how their recovery and resilience plan is consistent with other relevant plans and funds, in particular:

- 1) National Energy and Climate Plans²; and*
- 2) Partnership agreements and programmes.*

2. Complementarity of funding

Member States are invited to detail the processes and structures set up at national and regional levels to ensure complementarity and coordination of the management of various EU sources of funding in line with Article 22 of the Proposal.

3. Implementation

Member States are invited to explain how they intend to implement the proposed reforms and investments, focusing on elements below.

- 1) Effective implementation*
- 2) Uncertainties*
- 3) Institutional structure and decision-making process*
- 4) Administrative arrangements*
- 5) Communication*

4. Reporting

Member States are invited propose in their plans a methodology on how they intend to track the specific contribution of their recovery and resilience plan financing towards indicators as set in the guidance. In addition, Member States are invited to propose either existing EU or national indicators or new indicators which will allow to track the performance of their overall recovery and resilience plan towards its specific aims.

² Consistency should be demonstrated, at least, at the level of targets, objectives and contributions indicated by the National Energy and Climate Plans or, alternatively, at the level of individual policies and measures.

5. Payments, control and audit

Member States are requested to describe their national management and control system(s) and related bodies set up and robust enough to provide assurance (i) that the milestones and targets will be reliable, including control mechanisms, and (ii) that the sound financial management principles (avoidance of double funding; avoidance of fraud and corruption; avoidance of conflict of interests) will remain to be fulfilled for the EU funds at any time during the Facility. In that regard, Member States should also describe the modalities to collect data on the final beneficiaries of projects or investments necessary to achieve the milestones/targets, as such data collection has proven to be the best way to prevent corruption, fraud, conflict of interests and double funding.

PART 4: OVERALL IMPACT

This part covers the recovery and resilience plan as a whole. Indicative length: 5-8 pages.

1. Strengthening the economic and social resilience

Member States are invited to report on the macroeconomic and social impact of the plan. This should be consistent with the macro-economic scenario underlying the Stability/Convergence Programmes and National Reform Programme.

- *Macroeconomic outlook*
- *Macroeconomic and social impact*
- *Methodology*
- *Sustainability*
- *Green and digital impact*
- *Cohesion*

Tables 4a: Impact of the plan (Qualitative), and 4b: Impact of the plan (Quantitative). *Member States are invited to fill in the excel tables Impact of the plan (Qualitative), and Impact of the plan (Quantitative). An example is provided in annex 1. The full version of the tables included in the Annex will be provided to Member States in excel format.*

2. Comparison with the investment baseline

Member States are invited to provide evidence that their previous level of public investment, excluding the recovery and resilience plan's non-repayable contribution, will at least be maintained over the programme horizon. Member States can build, in relation to the green transition objective, on the investments and investment needs set out in National Energy and Climate Plans where relevant.

Table 5: Table on Investment baseline. *For monitoring purposes, Member States are invited to fill in the excel table Investment baseline. An example is provided in annex 1. The full version of the tables included in the Annex will be provided to Member States in excel format.*

ANNEXES

Annex 1: Reporting tables

This Annex is included for illustrative purposes. The full version of the tables included herein will be provided to Member States in excel format.

Table 1: Green and digital impact							
<p><i>Please indicate if 0%, 40% or 100% of the reform/investment contributes to the objective. For reforms/investments and the climate objective, Member States should use the methodology for climate tracking applied for cohesion policy funds, in particular as set out in Table 1, Table 4 and Table 6 of Annex I to [Common Provision Regulation COM(2018) 375] and justify their choice, in particular for reforms. For reforms/investments and environmental objectives, they are invited to follow the same methodology. In both cases, please indicate the relevant intervention field for every reform/investment by choosing the most appropriate one. If several ones can be applied, the Member State should motivate why they choose the selected one. For green objectives, Member States are invited to indicate that the do not significant harm (DNSH) principle is respected defined in Regulation 2020/852 (Taxonomy Regulation).</i></p>							
Short title	Green objectives				Digital objectives	Transition challenges	
	Climate	Environmental	Intervention field	DNSH		Green	Digital
	Tag	Tag					
Component 1: (Reform 1: xxxxx)	0%/40%/100%	0%/40%/100%	###	yes			
Component 1: (Investment 1: xxxxx)	0%/40%/100%	0%/40%/100%	###	yes			
Component 1: ...							
Component 2: ...							
Component 3: ...							

Table 2: Milestones and targets

Milestones and targets											
Related reform or investment	Milestone or target name & number	Qualitative indicators (for milestones)	Quantitative indicators (for target)			Timeline for completion (indicate the quarter and the year)	Data source /Methodology	Responsibility for reporting and implementation	Description and clear definition of each milestone and target	Assumptions/risks	Verification mechanism
			Unit of measure	Baseline	Goal						
Component 1 Example: Promoting digital skills											
Ex: Action 1: Strategy to to improve basic digital skills and digital learning for pupils in rural areas	1. At least X% of schools in the selected rural areas are equipped with two classroom sets of suitable digital devices for teaching and learning, chosen according to the school's own need and preference.	N/A	%	0,3	X%	Q4 2023	Ministry of Education, National Statistics Institute	Ministry of Education, Regional School Inspectorates	1. The investment will be centrally managed, providing a catalogue of materials that are centrally bought and provided to assure quality and efficient procurement. This also allows clear tracking of materials provided. Each school should receive at least two classroom sets of digital devices, defined as a central display unit (beamer, electronic whiteboard, or similar) and a set of 24-32 devices (for teachers and students); more will be provided in exceptional cases with larger classes in an individual school. Devices can include laptops or tablets with accompanying keyboard.	Procurement procedures will be put in place on time and without contestation. If schools are unable to identify their own need, the central authorities will propose a suitable set for the school. Some legal/technical factors such as insurance and availability of the existing in-school technical support scheme need to be assured.	

Table 3: Estimated cost of the plan

Table 3. Estimated cost of the plan															
Component (name)	Investment/Reform (short description or cross-reference)	Relevant time period	Total estimated costs for which funding from the RRF is requested (mn/bn national currency, e.g. mn EUR)	If available: Total estimated cost by year (mn/bn national currency/EUR)							Funding from other sources (as requested by Art. 8 in the Regulation)			COFOG level 2 category / or type of revenue (if relevant, e.g. tax expenditure)	
				2020	2021	2022	2023	2024	2025	2026	from other EU programmes	from the national budget	Other sources (please specify)		
Energy reform	Renovation of public buildings	2021-2023	1800	0	300	750	750	0	0	0	200	<i>specify the EU programmes and breakdown by programme if relevant (e.g. regional operational programme)</i>	0		COFOG category will depend on the area of activity, e.g. 07.3 for hospitals, 09.1 and 09.2 for schools
Energy reform	Aid for energy efficiency improvement for vulnerable households	2022-2025	3000	0	0	1200	1000	100	700	0	0		1000		COFOG 10.6 (social protection; housing) if eligibility is determined through means-testing
Energy reform	Auction for renewable hydrogen (costs relate to the administrative costs for the implementation)	2021-2022	20	0	10	10	0	0	0	0	0		5		Executive and legislative organs, financial and fiscal affairs, external affairs 01.1
Energy reform	Carbon price for the heating and transport sector (costs relate to the administrative costs for the implementation)	2021-2022	10	0	10	0	0	0	0	0	0		5		Executive and legislative organs, financial and fiscal affairs, external affairs 01.1

Tables 4a and 4b: Impact of the plan, qualitative and quantitative

Table 4a: Impact of the plan (Qualitative)							
	Relevance	Description of the expected impacts of the measure on: (mark include relevant quantitative indicators)					
Short title	Main policy objectives	CSRs addressed	Growth potential	Job creation	Mitigation of the impact of the crisis	Vulnerability to shocks/capacity to respond to shocks	Social and territorial cohesion
Component 1: (Reform 1: xxxxx)							
Component 1: (Investment 1: xxxxx)							
Component 1: ...							
Total impact of the plan							

Table 4b: Impact of the plan (Quantitative)						
	Channels of impact	Quantification of the impact* (if available):				Risks/Challenges
Short title	Detailed description of the channels through which the measures deliver the expected impact	Time	GDP	Employment	Budget balance	
Component 1: (Reform 1: xxxxx)		Short-term				
		Medium-term				
		Long-term				
Component 1: (Investment 1: xxxxx)		Short-term				
		Medium-term				
		Long-term				
Total impact of the plan		Short-term				
		Medium-term				
		Long-term				

*) difference from policy neutral baseline. Short-term, medium-term, and long-term refer, for example, to 2-years ahead, 5 years ahead and 20-years ahead.

Table 5: Investment baseline

Investment baseline												
Growth-enhancing expenditure affected by expenditure financed through RRF grants, classification of the functions of government (COFOG), reference level for 2017-2019 and planned expenditure in 2021-2026												
<i>mln/bin national currency / EUR</i>	2017	2018	2019	Reference level: 2017-2019 average	2020	2021	2022	2023	2024	2025	2026	Planned 2021-2026 average
Growth-enhancing expenditure affected by expenditure financed through RRF grants within COFOG level I items												
General public services	0	0	0	0	0	0	0	0	0	0	0	0
Defence	0	0	0	0	0	0	0	0	0	0	0	0
Public order and safety	0	0	0	0	0	0	0	0	0	0	0	0
Economic affairs	0	0	0	0	0	0	0	0	0	0	0	0
Environmental protection	0	0	0	0	0	0	0	0	0	0	0	0
Housing and community amenities	0	0	0	0	0	0	0	0	0	0	0	0
Health	0	0	0	0	0	0	0	0	0	0	0	0
Recreation, culture and religion	0	0	0	0	0	0	0	0	0	0	0	0
Education	0	0	0	0	0	0	0	0	0	0	0	0
Social protection	0	0	0	0	0	0	0	0	0	0	0	0
Total growth-enhancing expenditure affected by expenditure financed through RRF	0	0	0	0	0	0	0	0	0	0	0	0
Growth-enhancing expenditure financed through RRF grants (b)												
Growth-enhancing expenditure excluding expenditure financed through RRF	0	0	0	0	0	0	0	0	0	0	0	0
GDP at current prices (c)												
Growth-enhancing expenditure excluding expenditure financed through RRF grants (a-b)/c												

Annex 2: Further impact analysis

In addition to these main annexes, Member States can provide any other necessary evidence or other annexes.