EU-Post COVID 19 Recovery

Implementation of the Recovery And Resilience Facility

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Grants up to EUR 312.5 bn
Loans up to EUR 360 bn

Reforms and Investments
- Lasting impact
- Addressing country-specific recommendations
- Contribution to the 6 pillars of the RRF

National recovery and resilience plans

Recovery and Resilience Facility
up to EUR 672.5 bn (2018 prices)

- min. 37% Green
- min. 20% Digital

for all: do-no-significant-harm principle
Six Pillars

Recovery and Resilience Facility

Green Transition

Digital Transformation

Social and Territorial Cohesion

Smart, Sustainable and Inclusive Growth

Health; Economic, Social and Institutional Resilience

Policies for the next Generation
Contribution to social policies

Legal requirement to contribute to the six pillars for each plan, including:

- Social and territorial cohesion
- Health, economic, social and institutional resilience
- Policies for the next generation

Country Specific Recommendations to be addressed by the plans

- Labour Markets
- Social protection and services
- Inclusion
- Education and skills policies

Estimated social expenditure: EUR 138.3 bn (28%)

Recurring costs not financed but structural reforms and investments to improve access and delivery of social services

RRF complements national budgets and other funds
State of play – Adoption of National plans

To date, the European Commission has assessed, and the Council has adopted 26 plans

➢ PT, ES, EL, DK, LU, SK, AT, DE, LV, IT, FR, BE, SI, LT, CY, HR, IE, CZ, MT, RO, FI, EE, SE, BG, PL, NL
Supporting employment and social policies

**Labour market**
Adult learning, employment support, job creation, modernization of labour market institutions €27.5 bn (19.9 %)

**Education**
Accessibility, affordability, quality and inclusiveness, including digitisation and infrastructure €50 bn (33.3 %)

**Health care and long term care**
Supporting resilience, sustainability, adequacy, availability, accessibility, affordability and quality €45.1 bn (32.6 %)

**Social protection and social inclusion**
Supporting social housing, social protection, and social inclusion €19.7 bn (14.2 %)

- Commission services calculation based on 26 adopted RRPs
- Based on the social expenditure methodology
- Percentages of total social expenditure
Labour market and skills

• Cushioning the impact of the crisis (after discontinuation of temporary support measures):
  • Hiring subsidies
  • Reform of the public employment services to provide more efficient and targeted support to job-seekers, temporary increase in staff of public employment services
  • Activation for job seekers

• Labour market inclusion
  • Support for the participation of women and reduction of the gender pay gap
  • Labour integration of people with disabilities
  • Activation of elder workers, also with a view to increase sustainability of pension systems

• Preparation for the twin transition
  • Skills demand forecast
  • Upskilling and reskilling opportunities
  • Vocational training reforms to match supply and demand
Fair working condition

- Protection of **vulnerable/atypical workers** (also through the reform of the public employment service)
- Labour market reform and employment support to strengthen open-ended contracts and **reduce segmentation**
- Investment for **more secure workplaces** (health and security)
- Workplace adaptation for **workers with disabilities**
- Adaptation to **new forms of work** (teleworking...)
- Fight against fraud and **undeclared work**
- Modernisation of **collective bargaining**
- Wages, organisation and recruitment of **civil service**
Social protection and inclusion

- Inclusion
  - Social protection and integration of vulnerable groups
  - Reforms of minimum income schemes
  - Renovation / construction of housing and shelters
- Building resilience
  - Energy efficiency programmes in social housing
  - Reforms and Investments to promote social and affordable housing supply
  - Upgrade, expansion and/or improvement of access to social services
Examples of reforms and investments with fulfilled milestones:

- **Croatia** adopted amendments to the Minimum Wage Act
- **Italy** established the Guaranteed Employability of Workers program
- **Portugal** adopted its National Strategy to Combat Poverty
- **France** funded 337,000 hiring subsidies to young people
- **Spain** amended the Worker’s Statute to reduce temporary employment
- **Greece** adopted an Energy Poverty Action Plan
Involvement of stakeholders

- Involvement of stakeholders also during the implementation of the measures.
- The Commission regularly underlines the importance of stakeholder involvement.
- The Commission is making use of the existing fora under the European Semester to inform social partners.
- An annual stakeholder event on the RRF has already taken place in a number of Member States.
The way forward

- NextGenEU one-off instrument → focus on effective implementation until 2026
- Modification of RRP:
  - Measures partially or totally unachievable due to objective circumstances
  - Uptake of remaining loans (EUR 225bn available)
  - Adapting to new challenges with REPowerEU chapters: Commission proposal and guidance
Thank you!

For more information:
- Recovery and Resilience Scoreboard
- Annual Report on the RRF
- Review Report on the RRF