

Recovery package

Overview

CPR 2014-2020 (REACT-EU)

CPR 2021-2027

#EUBudget, #EUSolidarity, #StrongerTogether

A budget for European recovery and resilience

SURE / ESM Pandemic Crisis Support / EIB Guarantee Fund for Workers and Businesses	€540 billion
Next Generation EU	Temporary reinforcement € 750 billion
Multiannual Financial Framework	€ 1 100 billion

EU budget powering recovery

Investing in a green, digital and resilient Europe

Supporting Member States to recover



- Recovery and Resilience Facility
- Recovery Assistance for Cohesion and the Territories of Europe - REACT-EU
- Reinforced rural development programmes
- Reinforced Just Transition Mechanism

Within European Semester framework

- Supporting investments and reforms
- Supporting a just transition

Kick-starting the economy and helping private investment



- InvestEU programme

- Supporting key sectors and technologies
- Investing in key value chains

Learning the lessons from the crisis



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

- Supporting key programmes for future crises
- Supporting global partners

NextGenerationEU: European Council 17-21 July 2020

Recovery and Resilience Facility (RRF)	EUR 672.5 billion
<i>of which loans</i>	<i>EUR 360 billion</i>
<i>of which grants</i>	<i>EUR 312.5 billion</i>
ReactEU:	EUR 47.5 billion
Horizon Europe:	EUR 5 billion
InvestEU:	EUR 5.6 billion
Rural Development:	EUR 7.5 billion
Just Transition Fund (JTF):	EUR 10 billion
RescEU:	EUR 1.9 billion
Total:	EUR 750 billion

- All commitments under NGEU must be made by 31 December 2023, all payments by 31 December 2026
- Member States will present national recovery and resilience plans which will feature their reform and investment agendas for 2021-2023

How the reinforced spending will be used in Cohesion policy?

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Commission proposal on CPR 2014-2020

Additional resources of EUR 47.5 billion (in 2018 prices)

- ❑ in the context of the ongoing 2014-2020 programmes for quick deployment in real economy
- ❑ from the European Recovery Instrument as external assigned revenue
- ❑ two additional tranches, distributed between Member States in 2 rounds:
 - in 2020 (the 2021 commitment)
 - in 2021 (the 2022 commitment)
- ❑ Up to Member States to distribute between ERDF, ESF and FEAD
- ❑ Exceptionally, no breakdown per categories of regions
- ❑ Only under the IGJ goal (not Interreg)
- ❑ Allocation method: per Member State, taking into account relative prosperity and the extent of the socio-economic effects of the current crisis

Commission proposal on CPR 2014-2020

Simple programming process

- New dedicated priority in existing programmes or in a new dedicated programme
- Use only under the new thematic objective (fostering crisis repair) and for TA
- No mixing with “normal” allocations
- Transfers ERDF-ESF always possible
- Ex-ante conditionalities, performance framework and thematic concentration are not applicable

Commission proposal on CPR 2014-2020

Implementing conditions

- Up to 100% EU co-financing (optional)
- Annual pre-financing also paid on additional resources
- Decommitment: only at closure of programmes
- End date for eligibility remains unchanged
- Single evaluation per Member State covering all additional resources
- No new common indicators but *Member States encouraged to use off-the-shelf programme-specific indicators available for COVID-19 measures*
- Reasonable communication requirements

Commission proposal on CPR 2014-2020

New thematic objective “Fostering crisis repair in the context of the COVID-19 pandemic and preparing a green, digital and resilient recovery of the economy”

- ERDF: primarily for
 - product and services for health services and working capital or investment support to SMEs
 - investments in transition towards a digital and green economy
 - investments in infrastructure providing basic services to citizens, or economic measures in the most affected regions and sectors

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Commission proposal on CPR 2021-2027

More flexibility to transfer resources – both at PA and programme level

- ❑ More flexibility to transfer resources – in particular between the cohesion policy funds
- ❑ Threshold for operations phased over two programming periods lowered to EUR 5 million
- ❑ Rapid and easy use of the Funds in response to exceptional circumstance as referred to in the Stability and Growth Pact: increasing interim payments by 10 percentage points; wider scope to support operations; extending the deadlines for the submission of some documents and information

Thank you

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