BRIEFING

EU Legislation in Progress
2021-2027 MFF

European Parliament

Technical Support Instrument

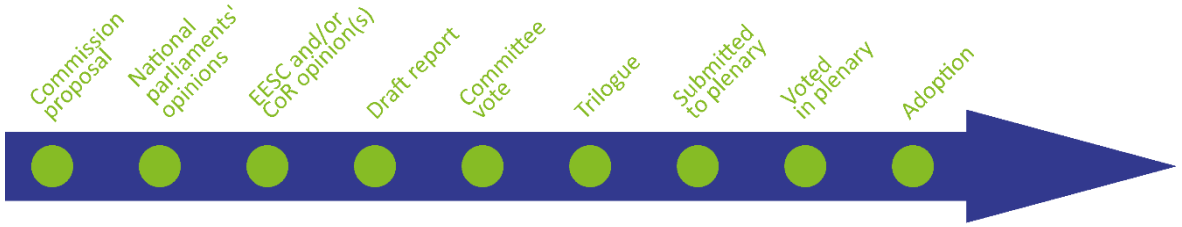
OVERVIEW

On 28 May 2020, the European Commission adopted a proposal for a regulation on a Technical Support Instrument that would provide Member States with technical support to strengthen their institutional and administrative capacity in designing and implementing reforms. In the context of the 'Next Generation EU' recovery plan, it would support them to prepare and implement recovery and resilience plans, and make reforms and investments related to the green and digital transitions.

Modelled on an instrument proposed by the Commission in 2018, the Technical Support Instrument would replace the Structural Reform Support Programme that has helped implement over 1 000 reform projects in the Member States since 2017. This new instrument has a budget of €864 million over the 2021-2027 period (in current prices); by contrast, the Structural Reform Support Programme had a budget of €222.8 million for 2017-2020.

At the European Parliament, the Committee on Budgets (BUDG) and the Committee on Economic and Monetary Affairs (ECON) worked jointly on this file under Rule 58 of the Parliament's Rules of Procedure. After interinstitutional negotiations, on 19 January 2021, the Parliament adopted the compromise text at first reading. The final act was signed on 10 February and published in the Official Journal on 19 February; the regulation entered into force the following day.

Regulation of the European Parliament and of the Council establishing a Technical Support Instrument		
Committees responsible:	Budgets (BUDG) and Economic and Monetary Affairs (ECON) (jointly under Rule 58)	COM(2020) 409 28.5.2020 2020/0103(COD)
Co-rapporteurs:	Othmar Karas (EPP, Austria) Dragoș Pîslaru (Renew Europe, Romania) Alexandra Geese (Greens/EFA, Germany)	Ordinary legislative procedure (COD) (Parliament and Council on equal footing – formerly 'co-decision')
Procedure completed.	Regulation (EU) 2021/240 OJ L 57, 18.2.2021, pp. 3–18.	



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Introduction

The coronavirus pandemic has had a negative impact on the European economy and has worsened its outlook. Furthermore, the crisis could potentially cause a further widening of the economic gaps among Member States. In the medium and long term, the effects of the crisis on the Member States will depend on the resilience of their economies. In this situation, the European Union can support public and private investment, while also helping Member States in their efforts to carry out reforms geared towards growth and resilience. On 28 May 2020, the European Commission published a proposal for a regulation establishing a Technical Support Instrument (COM(2020) 409) as a successor to the Structural Reform Support Programme (Regulation (EU) 2017/825).

The aim of the Technical Support Instrument (hereafter instrument or TSI) is to promote EU economic, social and territorial cohesion, and contribute to increasing the EU Member States' resilience and economic convergence with each other. Member States could voluntarily apply for technical support to strengthen their institutional and administrative capacity for conceiving and implementing reforms, also through an exchange of good practices, processes and methodologies. Member States could also request support for preparing and implementing their recovery and resilience plans that specify the reforms and investments to be financed under the Recovery and Resilience Facility, including those related to the green and the digital transition.

The new instrument will have a total standalone budget of €864 million for the 2021-2027 period, while the Structural Reform Support Programme had a total budget of €222.8 million for 2017-2020, which is funded by transfers of technical assistance resources under other programmes.

Context

The Technical Support Instrument is a further step in providing technical support to Member States for conceiving and implementing structural reforms. In 2011, the Commission had set up the Task Force for Greece (TFGR) to coordinate technical assistance to deliver the EU/IMF adjustment programme in Greece, and the Support Group for Cyprus (SGCY) to provide technical assistance for the country's economic adjustment. In both cases, the assistance covered almost the whole spectrum of public policy fields.

In 2015, the European Court of Auditors produced a special report on the work of the TFGR in Greece, where it suggested that technical assistance should focus on 'strengthening the capacity of national administrations with a view to business continuity and the sustainability of reforms'. Auditors also made the following recommendations to the Commission: to create a pool of external experts to work on technical assistance projects in Member States on an ad hoc basis; to streamline the number of technical assistance partners in order to ensure coherence and reduce the effort needed for policy coordination; and to ensure that the implementation of technical assistance is systematically monitored and evaluated, with lessons being fed back into the process.

Building on this experience, in June 2015 the Commission created the Structural Reform Support Service (SRSS)[1] with the mission to provide technical support to all EU Member States. In November that year, the Commission published a proposal for a regulation establishing the Structural Reform Support Programme (SRSP) 2017-2020, conceived as the SRSS' operational and budgetary tool. The SRSP entered into force on May 2017; as it was established within the past multiannual financial framework (MFF) for 2014-2020, its budget ran until 31 December 2020.

In the context of its new proposals for sectoral programmes within the 2021-2027 MFF, the Commission published a proposal for a regulation on a reform support programme (COM(2018) 391) on 31 May 2018. That proposal included three elements: a reform delivery tool (financial support), a technical support instrument (technical support) to replace the Structural reform support programme, and a convergence facility (dedicated to Member States preparing for adopting the euro). The Member States discussed the text of the proposal under the Finnish and Croatian Presidencies, and an agreement in principle was reached in the Council of the EU on that

instrument. At the European Parliament, the Committees on Budgets (BUDG) and on Economic and Monetary Affairs (ECON) worked jointly on the file under Rule 58 of the Parliament's Rules of Procedure and tabled a draft report on 20 April 2020. The Committee on Regional Development (REGI) gave its opinion on December 2019, and the Committee on Employment and Social Affairs (EMPL) gave its opinion on 27 May 2020. On 28 May 2020, the Commission published two proposals: on a Recovery and Resilience Facility and on a Technical Support Instrument, in which the withdrawal of the 2018 proposal on a reform support programme was announced.

Existing situation

Under the 2014-2020 MFF, Member States could ask for technical support under the SRSP to reinforce their administrative and institutional capacity in designing and implementing reforms. Initially, the programme's budget amounted to €142.8 million, but was later increased to €222.8 million. The programme ceased to provide support on 31 December 2020.

The programme supported the introduction of own-initiative structural reforms by the Member States seeking to facilitate the implementation of: EU law; country-specific recommendations (CSRs) issued under the European Semester; economic adjustment programmes; and a more efficient use of EU funds.

In the Commission, the programme was managed by the Directorate-General for Structural Reform Support (DG REFORM). Further to a Member State's request, support was provided on a wide range of areas, such as: governance and public administration; tax revenue and public financial management; growth and business environment; labour market, health, education and social services; financial sector and access to finance (see Figure 1). Member States could benefit from the expertise of the European Commission, national experts, international organisations, and public bodies and experts from the private sector. Since 2017, the programme has supported over 1 000 reform projects in the 27 Member States. It has enjoyed a strong interest, with requests four times (in 2017) and five times (in 2018) higher than the annual budget available.

Figure 1 – Reform areas covered by the Structural Reform Support Programme, 2017-2020

Source: European Commission.

Annual monitoring reports on the implementation of the programme are available for 2017 and 2018. Support for the policy areas covered was distributed between business environment and growth (35 %), labour market, health, education and social services (22 %), governance and public administration (14 %), revenue administration and public financial management (18 %) and financial services and access to finance (11 %). An independent mid-term evaluation report, published on 30 September 2020, analysed over 300 technical support projects in 24 Member States. The findings show that the programme was considered being of significant help and Member States especially appreciated the high degree of flexibility, the simplicity of the contracting and implementing procedures managed by the Commission, and the absence of co-financing

requirements. The evaluation report identified some obstacles in the delivery of project outputs whenever there were changes in the political structure of the beneficiary authorities and a lack of collaboration among stakeholders. A Commission staff working document accompanied the evaluation report and highlighted some of its key findings, one such being the positive feedback provided by the respondents to an online targeted consultation within the report. They appreciated the added value generated by the possibility of sharing good practices among Member States and the seamless coordination between the annual cycles of the SRSP and the European Semester.

Parliament's starting position

In its resolution of April 2017 on the Structural Reform Support Programme for 2017-2020, the Parliament made proposals on the reform objectives and ownership, and on the SRSP budget. The Parliament recommended that reforms should be growth-friendly and investment-oriented, and aim for quality job creation, social inclusion, territorial cohesion, equal opportunities, combating poverty and encouraging fair competition. While recognising the ownership of structural reforms by Member States, the Parliament asked for the involvement of the local and regional authorities and the social partners in their design and implementation. In case it was decided to include the SRSP in the 2021-2027 MFF, the Parliament recommended establishing a dedicated budget for the instrument rather than continuing to transfer resources from the budget of the European structural and investment (ESI) funds.

In a resolution of July 2018 on the Commission proposal amending the SRSP, the Parliament supported both the increase of the SRSP budget and the inclusion of preparations for euro-area membership among the programme's objectives. The Parliament advocated the involvement and consultation of regional and local authorities in preparing and implementing structural reforms, and suggested that the SRSP should work in synergy with already existing national reform initiatives, and focus mainly on measures that best support the country-specific recommendations (CSRs).

The April 2020 draft report on the Commission proposal on the establishment of the reform support programme (RSP), for the BUDG-ECON joint committee in charge of the dossier, stressed that structural reforms and investments are essential for EU competitiveness and for accelerating social and economic convergence among Member States. The co-rapporteurs, Eider Gardiazabal Rubial (S&D, Spain) and Dragoş Pîslaru (Renew, Romania), highlighted that major shocks, such as the current pandemic, can be addressed effectively if the EU Member States' economies are resilient and their health systems and essential public services are prepared to provide an adequate response. They called for investment in and implementation of smart, sustainable and inclusive structural reforms as the EU's priority for the recovery. They appreciated the success of the SRSP that would be replaced by the Technical Support Instrument (TSI) included in the RSP proposal. They suggested enlarging the scope of the TSI to include actions related to the implementation of the UN sustainable development goals and the principles of the European Pillar of Social Rights, and increasing its budget from €0.84 billion (as per the Commission proposal) to €1 billion.

Preparation of the proposal

The preparation of the Commission proposal coincided with the coronavirus outbreak and the preparation of the 'Next Generation EU' recovery plan. For this reason and in order to facilitate timely adoption by the co-legislators, the Commission proposal largely reflects the Technical Support Instrument included in the 2018 proposal for a reform support programme.

Due to the urgency of the situation, no new impact assessment (IA) was carried out, as one had already been prepared for the Commission RSP proposal back in 2018. This IA acknowledged that the implementation of structural reforms in Member States remained a national competence, but action at EU level could help to overcome a possible lack of political ownership or commitment to undertake reforms. Support to Member States for the implementation of reforms was identified as an area where the Union's intervention could provide added value.

At the same time, the 2018 IA recognised that the instruments at EU level were insufficient to address the causes behind the low and uneven implementation of structural reforms. Moreover, the SRSP could provide technical support within a limited budget and was to expire at the end of 2020.

Furthermore, the IA pointed out that the need for giving impetus to structural reforms could not be addressed through the ESI funds (called 'Union funds' under the proposed 2018 common provisions regulation), because their main goals and intervention logic are geared towards investment rather than reform.

Even though the SRSP had not yet been in operation long enough to allow an analysis of its performance, the IA highlighted some preliminary conclusions, based on the programme's implementation up to that moment. Among other things, the IA considered it to have offered relatively swift support to the Member States in various stages of the reform process, with a low administrative burden compared to other EU programmes. The programme contributed to implementing strategic EU priorities, by addressing cross-border issues and EU-wide challenges. Member States appreciated the possibility to share their expertise with other Member States or experts, the voluntary character of participation, and the consensual nature of the cooperation.

The European Parliamentary Research Service (EPRS) published an initial appraisal of the Commission's impact assessment in October 2018. The appraisal remarked that the impact assessment focused more on presenting the expected positive effects of the SRSP programme and its delivery mechanisms, rather than assessing the impacts of alternative options against the baseline scenario. At the same time, the initial appraisal recognised that performing an ex-ante assessment could have been a challenging task due to the voluntary nature of the programme and to the fact that impacts largely depend on the Member States' specific requests and level of reform implementation.

A formal stakeholder consultation on the proposal for a TSI has not been carried out, but the Commission claimed to have taken into account stakeholders' views expressed in a public consultation carried out between 10 January 2018 and 9 March 2018, where the SRSP was included in the 'cohesion cluster'. The consultation covered multiple questions among which structural reforms. Even though the SRSP was not explicitly mentioned among the funding programmes, responses to questions specifically mentioning the implementation of structural reforms in the Member States were considered as being of relevance to the SRSP as well. Respondents underlined the lack of resources as one of the main obstacles to the implementation of reforms in different areas such as health care and education. They expressed the wish for a better link between the achievement of long-term structural changes and the national reform programmes, the CSRs and other national initiatives, through an increased synergy and coordination of the actions envisaged under each of them, and through integration of their lifecycles.

The changes the proposal would bring

The Technical Support Instrument would provide Member States with technical support to carry out institutional, administrative, and growth-sustaining and resilience-enhancing structural reforms (Article 2).

By supporting Member States in their efforts to implement reforms, the general objective of the instrument is to promote economic, social and territorial cohesion in the EU. Reforms are aimed at achieving sustainable economic and social convergence, resilience and recovery among Member States (Article 3).

More specifically, the instrument would assist Member States in: (a) improving their capacity to design, develop and implement reforms (b) preparing, amending, implementing and revising recovery and resilience plans pursuant to Regulation (EU) 2021/241.This specific objective would be pursued in close cooperation with the authorities concerned, and through the exchange of good

practices, processes and methodologies, stakeholder involvement and an optimisation of human resource management (Article 4).

The instrument would cover policy areas related to cohesion, competitiveness, education, productivity, research and innovation, smart, fair, sustainable and inclusive growth, jobs and investment, with specific emphasis on actions that foster just digital and green transitions. Its scope would be broad, including public financial and asset management, institutional and public administration reforms, the business environment, the labour market, education, health and social services, the financial sector and access to finance (Article 5).

Within the eligible types of action for technical support, the instrument would cover, among others, expenses related to experts (including resident experts), seminars, conferences and workshops, training, working visits, collection of data and statistics, IT capacity-building, studies, research and communication activities (Article 8).

Member States wishing to receive technical support would be asked to introduce their requests to the Commission by 31 October of each calendar year. These requests should be linked to the implementation of reforms undertaken on the Member States' initiative; the implementation of growth-sustaining and resilience-enhancing reforms in the context of economic governance processes; the implementation of economic adjustment programmes by Member States that receive EU financial assistance under existing instruments; and the preparation, amendment and revision of recovery and resilience plans. After analysing a Member State's request, the Commission would draft a cooperation and support plan (Article 9). If the Member State gives its consent to this plan, the Commission would transmit it to the Parliament and the Council (Article 10) for approval and adoption.

To implement technical support to Member States under the TSI, the Commission would adopt work programmes through implementing acts and inform the European Parliament and the Council accordingly. The technical support measures would be implemented by the Commission or by entities and persons other than the Member State, including international organisations, and individual experts. (Article 12).

The regulation includes provisions on aspects such as coordination and complementarity, monitoring of implementation, annual reports, mid-term evaluation and ex post evaluation. The Commission would monitor the implementation of the instrument, also through a performance-reporting system (Article 14). The Commission would provide an annual report to the Parliament and the Council on the implementation of the instrument (Article 15). A mid-term evaluation report would be provided by 20 February 2021, and an ex-post evaluation report by 31 December 2030 (Article 16). With regard to transparency (Article 17), the Commission would establish a single online public repository through which it would make available final studies or reports produced as part of eligible actions.

The financial envelope for the implementation of the instrument would be €864 million (in current prices[2]) for the 2021-2027 period. In addition, Member States would be able to request that technical assistance resources allocated under shared management be transferred to the instrument (Article 6). The instrument may also be financed through voluntary payments from Member States. Such transfers to the instrument would be exclusively used in the Member State making the payment (Article 7). The actions financed under the instrument may also receive support from other EU programmes, instruments or funds (Article 11). EU support for these actions can be in the form of grants, public procurement contracts, reimbursement of costs, contributions to trust funds set up by international organisations, and actions carried out through indirect management (Article 12).

Advisory committees

On 15 July 2020, the European Economic and Social Committee (EESC) adopted an opinion on the 'Recovery and Resilience Facility and Technical Support Instrument'. In its opinion, the EESC

considers the Technical Support Instrument 'an efficient complement to the packages of measures that are proposed by the Commission to address the economic fallout of the Covid-19 pandemic'. The EESC recommends that Member States cooperate with the Commission with regard to the recovery and resilience plans, and share best practice. Furthermore, Member States are invited to include the views of the social partners and civil society organisations in these plans.

On 17 October 2018, the EESC had adopted an opinion on the Commission proposal on a reform support programme, which also included a Technical Support Instrument. It recommended monitoring the social impact and consequences of reforms at the national level. It also advocated a possible role for organised civil society in obtaining an agreement between the Commission and the Member States on the content of reforms. Moreover, it suggested to create a platform where Member States could cooperate on issues relating to the form and nature of structural reforms.

On 14 October 2020, the European Committee of the Regions (CoR) adopted an opinion on the 'Recovery and Resilience Facility and Technical Support Instrument'. There, the CoR welcomes the Commission proposal and strongly approves the fact that the instrument is intended not only for national administrations but also for local and regional authorities. However, the CoR considers that the text of the proposal needs to be clearer and more consistent. In particular, as regards Article 8, which says that the request for technical support should come from a Member State, the CoR insists that the text be made clearer to indicate that such a request should come from a Member State's national authority (including a local or a regional authority) within the meaning of Article 2(2), and not exclusively from a Member State.

On 6 December 2018, the CoR had adopted its opinion on 'The Reform Support Programme and European Investment Stabilisation Function', covering also the Technical Support Instrument included in the reform support programme proposal. It suggested that country-specific recommendations (CSRs) should promote investments no less than regulatory reforms, and that investment-related CSRs should be aligned with the long-term objectives of the ESI funds. The CoR stressed the need for greater involvement of local and regional authorities, which should become a criterion for assessing the credibility of reform implementation arrangements. It also advocated actively promoting local and regional authorities' access to the Technical Support Instrument under the programme at all levels of government.

National parliaments

The proposal for a regulation was submitted to the national parliaments, with a subsidiarity deadline of 30 July 2020. None of the parliaments raised any subsidiarity concerns; only the Czech Senate sent a final statement that does not include any remarks targeting the Technical Support Instrument. As regards the 2018 proposal on a reform support programme, several parliaments had presented their comments on the TSI that was included within it (see the EPRS briefing on the earlier proposal). These are listed below.

In its opinion of 7 September 2018, the Portuguese Parliament welcomed the establishment of a programme offering both technical and financial support for reforms that were considered important for boosting both convergence and competitiveness. It also highlighted how Portugal had benefitted from reforms under the economic and financial adjustment programme since 2014.

In its resolution of 20 December 2018, the Czech Senate supported the establishment of the reform support programme but also warned that a situation where the programme could lead the Member States to condition their reform efforts on the availability of EU financial support should be avoided. It highlighted that efforts should be motivated by national needs and EU support should only be supplementary.

In a more general resolution on the governance of the euro area of 23 June 2018, the French National Assembly supported the EU's efforts to strengthen structural reforms and the use of instruments for this purpose under the new MFF.

Stakeholder views[3]

In its 2020 EU reform barometer, the Confederation of European Business (BusinessEurope) stresses the need for the EU to focus on reforms in order to return to a growth trajectory after having implemented initiatives to address the ongoing acute crisis. The report makes some key policy recommendations on ways to improve EU competitiveness, including by implementing labour and capital tax reforms, public finances reforms and business environment regulatory reforms. It furthermore recommends achieving better alignment between education and training systems on the one hand, and labour market needs on the other, in order to address skills gaps. The report also assesses Member States' reform progress. It recognises that the EU country-specific reform recommendations focus on the right reform objectives, but voices dissatisfaction with the levels of implementation by Member States.

Views on the reforms process have also been expressed by the European Centre of Employers and Enterprises providing public services and services of general interest (CEEP), in its opinion on the reflection paper on deepening EMU. There, the CEEP called for greater involvement of the social partners in the design and monitoring of reforms. In the context of the new MFF, it identified stronger support for reforms through the new (as of that moment) self-standing structural reform and support programme as one of the main priorities.

The European Trade Union Confederation (ETUC), in its input to the broad economic guidelines for 2018, called for a mechanism enabling the voluntary involvement of trade unions and employers in the SRSP. It also warned against labour reforms leading to the proliferation of precarious working contracts and pension reforms with too little attention to pension adequacy in the future. In a comment on the 'Next Generation EU' recovery plan, in its October 2020 paper on 'A people's recovery', the ETUC reiterated that both unions and employers should be involved in the design, implementation and monitoring of the national recovery plans. On 21 September 2020, in its reaction to the Commission's annual sustainable growth strategy for 2021, the ETUC welcomed the Commission's recommendation to the Member States to involve social partners in the preparation of their recovery and resilience plans.

Legislative process

The Commission presented the legislative proposal (COM(2020) 409) on 28 May 2020. It fell under the ordinary legislative procedure (2020/0103(COD)). In the Parliament, the Committees on Budgets (BUDG) and on Economic and Monetary Affairs (ECON) were jointly responsible for this file under Rule 58 of the Parliament's Rules of Procedure. The co-rapporteurs were Alexandra Geese (Greens/EFA, Germany), Othmar Karas (EPP, Austria) and Dragoş Pîslaru (Renew, Romania). On 29 July, they published a draft report, and on 30 September the Committee for Employment and Social Affairs (EMPL) provided an opinion. The joint committee voted on its final report on 1 October and also decided to open interinstitutional negotiations. On 7 October, the joint committee decision to enter into interinstitutional negotiations was confirmed by the plenary (Rule 71). The negotiations on the TSI went in parallel with the final phase of the negotiations on the 2021-2027 MFF, and discussions were put on hold for a while due to lack of agreement on the broader MFF. On 15 December 2020, the Parliament and the Council reached an agreement on the TSI. On 19 January 2021, the Parliament adopted the compromise text in first reading, while the Council adopted it on 2 February 2021. The final act was signed on 10 February and published in the Official Journal on 19 February. The regulation entered into force on the day following that of its publication in the Official Journal; this regulation is binding in its entirety and directly applicable in all Member States.

Parliament position

In its report, the BUDG-ECON joint committee asked to include the goal of gender-equal recovery beyond the Covid-19 crisis as an additional element within the general objective of the instrument. It also asked to broaden the scope of the instrument to include reforms and investments on the digitalisation of public administration, the relocation of production in the EU, life-long learning, civil protection, asylum, migration and integration, child care, a better business environment and access to finance for SMEs, the self-employed and entrepreneurs. Furthermore, the report called for the instrument also to support policies that are relevant to preparations for euro-area membership, and policies for increasing capabilities to react in case of substantial risks to public health or security.

Furthermore, the report proposed to amend the Commission proposal to include auditing administrative or criminal investigative support and budgetary control activities in the list of eligible types of action for technical support. Another amendment highlighted the need to consult with a broad range of stakeholders, including regional and local administrations, women's organisations and representatives of vulnerable groups and the social partners. With a view to facilitating absorption capacity specifically in the domain of IT capacity-building, the report added that emphasis should be laid on interoperable or common solutions among Member States. To reinforce transparency and accountability, the report proposed that the Commission publish on its website a complete list of the projects supported and the amounts allocated. It furthermore asked that the Commission produce a biannual report on the instrument's implementation, and the possibility for the competent committee of the European Parliament to invite Council and Commission representatives to discuss all measures taken under the regulation. While the Commission proposed to implement the technical support though the adoption of work programmes by way of implementing acts,[4] the Parliament demanded the use of delegated acts.[5]

As regards the budget of the instrument, the joint committee report called for an increase in the financial envelope to €1.45 billion. It furthermore insisted that Member States should be allowed to allocate part of their Recovery and Resilience Facility budget to the instrument as a way to increase the technical support available to them for preparing and improving their recovery and resilience plans. Last but not least, the report recalled that the instrument should be implemented in full compliance with the rules for the protection of the EU budget, also considering respect for the rule of law.

Council position

In the Council, the proposal was examined by the Working Party of Financial Counsellors on 2 and 8 June under the Croatian Presidency, as well as on 1 and 14 July under the German Presidency. The Member States supported the Commission proposal, calling only for very few changes. These included: making references in the recitals to fundamental rights and gender equality principles; assigning priority to requests for technical support for the preparation and implementation of the recovery and resilience plans; and introducing a new article allowing Member States to make additional contributions to the budget of the instrument on a voluntary basis, which would be used to their own benefit. On 22 July 2020, the Council agreed its position on a partial mandate, aimed at shaping the stance of the presidency in the trilogue negotiations. Given that the proposed regulation was linked to the new MFF, provisions with budgetary implications were excluded from this partial mandate for negotiations, pending further progress on the MFF.

Trilogue agreement

The compromise text agreed between the institutions on 15 December 2020 includes a number of changes to the Commission's initial proposal.

In article 3, in the general objective, an addition states that the instrument should support Member States also at regional and local level, to facilitate socially inclusive, green and digital transitions.

In article 4, among the specific objectives of the instrument, the objective of assisting national authorities in improving their capacity to prepare, amend, implement and revise recovery and resilience plans pursuant to the Regulation establishing a Recovery and Resilience Facility is added.

In article 5, with regard to the scope of the instrument, an addition covers actions focusing on preparation for membership of the euro area, on the early detection of, and coordinated response to, substantial public health or security risks, on business and service continuity for essential public and private institutions and sectors.

In article 9, with regard to the request for technical support, Member States wishing to benefit from the instrument may consult relevant stakeholders as part of the request for technical support. Furthermore, the Commission may organise additional dedicated calls in response to specific emerging Member State needs, including, as a matter of priority, the preparation, amendment, implementation and revision of recovery and resilience plans.

In article 14, with regard to the monitoring of implementation of the instrument, the performance reporting system should ensure data for monitoring and measuring the achievements of the general and specific objectives are collected, where relevant and feasible, in gender-disaggregated form.

In article 15, concerning annual reports, the Commission should provide information on the implementation of support measures, where appropriate also at national and regional level; and should report about the communication activities it has carried out. The European Parliament may invite the Commission to discuss the annual reports and the implementation of the instrument.

In article 17, as regards transparency, the Commission is to establish a single online public repository through which it may make available final studies or reports financed under TSI. The Member States concerned may request, where justified, the Commission not to disclose such documents without prior agreement.

EP SUPPORTING ANALYSIS

Widuto A., Reform support programme 2021-2027, Briefing, EPRS, European Parliament, March 2019.

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Kramer E., Initial Appraisal of a European Commission Impact Assessment: Reform Support Programme, Briefing, EPRS, European Parliament, October 2018.

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Technical support for implementing the European Green Deal, European Commission, July 2020.

EU Structural Support Reform Service (SRSS), European Commission, September 2017.

Factsheets on Structural Reform Support, European Commission website.

'Incentivising Structural Reforms in Europe? A Blueprint for the European Commission's Reform Support Programme', Mathias Dolls, Clemens Fuest, Carla Krolage, Florian Neumeier and Daniel Stöhlke, *Intereconomics*, January/February 2019.

ENDNOTES

1 The Structural Reform Support Service (SRSS) was created in June 2015 within the Secretariat-General of the European Commission and under the guidance of Commission Vice-President Valdis Dombrovskis (then Commissioner for the Euro and Social Dialogue). It has a staff of 160 people located in Brussels and some Member States. In January 2020, the Commission created the Directorate-General for Structural Reform Support (DG REFORM), and handed it the SRSS' mandate. The Commissioner for Cohesion and Reforms, Elisa Ferreira, is in charge of DG REFORM.

2 The European Union's multiannual budget may be expressed in current prices or in constant prices. The constant prices differ from current prices as they apply an annual deflator of 2 % (as provided for in the 2021-2027 MFF Regulation) to take into account the effects of inflation.

3 This section aims to provide a flavour of the debate and is not intended to be an exhaustive account of all different views on the proposal. Additional information can be found in related publications listed under 'EP supporting analysis'.

4 Implementing acts are defined in Article 291 of the Treaty on the Functioning of the European Union (TFEU). They are generally adopted by the Commission, which is competent to do so in cases where uniform conditions for implementing legally binding acts are needed. Implementing acts are a matter for the Council only in specific cases, which are duly justified, and in areas of common foreign and security policy. Where a basic act is adopted under the ordinary legislative procedure, the European Parliament or the Council may at any time indicate to the Commission that, in its view, a draft implementing act goes beyond the implementing powers provided for in the basic act. In this case, the Commission must revise the draft act in question.

5 Delegated acts are defined in Article 290 TFEU. They are non-legislative acts of general application that supplement or amend certain non-essential elements of a legislative act. The power to adopt these acts may be delegated to the Commission by the legislator (the Parliament and the Council). The objectives, content, scope and duration of the delegation of power are defined in the legislative act, as are any urgent procedures, where applicable. In addition, the legislator lays down the conditions to which the delegation is subject, which may be the authority to revoke the delegation or the right to express an objection.

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