

Final compromise amendments

Draft report on the implementation of the Recovery and Resilience Facility by Co-rapporteurs (Eider Gardiazabal Rubial, Siegfried Mureşan, Dragos Pîslaru)

Changes compared to the draft report are highlighted in bold/italics. Changes compared to the version of 20 April are highlighted in yellow. Changes compared to the version of 12 May are highlighted in blue. Changes compared to the version of 16 May are highlighted in green. Changes compared to the version of 17 May are highlighted in pink.

CA A on subheading 1 and paragraphs 1-1c

Mitigating the social and economic impact of the crisis

1. Highlights that the Recovery and Resilience Facility (RRF) is an unprecedented instrument of solidarity and a cornerstone of the NextGenerationEU (NGEU) instrument, ending in 2026, as the main tool in the EU's response to the COVID-19 pandemic to prepare the economies of the EU to face the new challenges;
 - 1 a. *Recalls that the EU response was determined, coordinated, comprehensive, timely and solidarity-based, leading to extensive use of existing instruments and deploying additional financing instruments, (AM 35 Co-rapporteurs, AM 40) further recalls that Member States have taken sizeable fiscal measures in response to the pandemic and in support of the recovery (5.2% of GDP in 2021 and 2.8% of GDP in 2022); (AM 64),*
 - 1 b. *Highlights the stabilising effect of RRF for Member States at a time of great economic uncertainty (AM 33), containing the crisis and mitigating its negative economic and social consequences (AM 40) and supporting governments to maintain investment levels while responding to immense pressure on national budgets; (AM 33)*
 - 1 c. *Furthermore underlines the RRF's instrumental role in fostering economic, social and territorial cohesion, preventing the fragmentation of the internal market and deepening of macroeconomic divergences; (AM 43);*

If the compromise is adopted, the following amendments fall: 30-38, 40, 43, 64, INTA 1, EMPL 3, CULT 2

CA B on paragraphs 2-3b

2. Welcomes the fact that even if the economic effects of the RRF cannot be fully disentangled from other developments, it seems fair to conclude that, so far, the RRF has had positive effects on gross domestic product (GDP) and that its effective

implementation will be key for the EU's economic growth; **highlights the RRF's role in protecting the fiscal space of Member States from the substantial economic shock of the COVID-19 pandemic (AM 378)**; recognises that **while the main impact on GDP growth is expected to occur over the following years, (AM 49) the RRF has already (AM 49) helped to cushion EU economies and citizens from the most acute impacts of the COVID-19 pandemic and is positively contributing to the EU's recovery and resilience, including economic and social (AM 49) cohesion, jobs, productivity, competitiveness (AM 88), research, development and innovation, and a well-functioning internal market with strong small and medium enterprises (SMEs); (AM 54 Co-rapporteurs) stresses that pre-erisis-significant divergences exist among Member States impacted the uneven recovery dynamics; (AM 52) with regards to economic, social and institutional resilience, which impact the uneven recovery dynamics; points out that the RRF catalyses the green and digital transitions and plays a paramount role in enhancing the sustainable transition and the well-being of people for a resilient, fair, inclusive, competitive and future-proof economy in relation with the implementation of ambitious reforms and investments; (AM 47)**

3. **While acknowledging the negative economic and social impacts of Russia's aggression in Ukraine; (AM 63) Observes the sizeable impact of the NGEU instrument as estimated by the Commission^{1a}, the ECB^{1b} and the IMF^{1c}, notably with an increase of GDP growth of up to 1.5 percentage point higher than without NGEU investment (AM 65), when implemented effectively;**
 - 3 a. Notes, furthermore, that the Commission forecasts that RRF grants will fund 24 % of total recovery support measures in 2022; **highlights the positive macroeconomic spill over effects and the potential of well-targeted reforms and investment, (AM 65) points out that the RRF grants will continue to provide substantial fiscal support to Member States and can thus enable them to pursue structural reforms and investments for long-lasting effects on the recovery and resilience of their economies and societies, calls on Member States to make the best use of this opportunity; (AM 66)**
 - 3 b. **Points out that a successful and transparent implementation of the RRF would contribute to make EU economies and societies more sustainable, inclusive, and resilient, long term competitive, strategically autonomous, and better prepared for the current and upcoming challenges, stresses that a successful implementation of the NRRPs will foster economic and social convergence and territorial cohesion, reduce social inequalities;** notes, furthermore, that the Commission forecasts that RRF grants will fund 24 % of total recovery support measures in 2022; **highlights the positive macroeconomic spill over effects and the potential of well-targeted reforms and investment, (AM 69 Co-rapporteurs, AMs 65, 67, 68 75)**

If the compromise is adopted, the following amendments fall: 45-56, 59, 61-65, 67-69, 75, 88, 378, INTA 2, INTA 5, ENVI 1, ENVI 2, ENVI 14, CULT 1, EMPL 12

CA C on paragraphs 4-5a

4. **Believes that in order for the RRF to achieve its general objectives and support the EU to bounce back from the crisis, and to maximise the (AM 74) long-term impact on the EU economy and society, it is imperative that Member States implement thoroughly and timely (AM 74) the agreed reforms and investments, (AM 47, 58)**

reminds that the RRF is a performance-based mechanism, whereby funding is disbursed **only** upon completion of **the related** milestones and targets related to measures, *recalls* that **for its success it is crucial** the participation of local, regional and national authorities **that are and those responsible for developing those policies is crucial for the success of the RRF**, as stated in Article **18 and 28** of the RRF Regulation; (AM 71)

- 4 a. *Warns that the RRF will only mitigate the social and economic impact of the crisis if funds are effectively absorbed and spent, so that they reach the real economy and people*; calls on Member States to take the appropriate decisions on **administrative structure and human resources dedicated** to ensure the timely expenditure of RRF funds; (AM 78)
- 4 b. *Underlines that the COVID-19 pandemic has highlighted the need to increase strategic autonomy of the Union in key supply chains and critical infrastructures and services; notes the RRF investments in the green transition and digital transformation should contribute to increase EU strategic autonomy and independency, notably to reducing its dependency on imported fossil fuels (AM 388); notes that according to the Commission, the RRF is expected to give a major boost to the implementation of the EU Industrial strategy and thereby further develop EU industries (AM 80 Co-rapporteurs, AM 77, AM 83)*
5. Emphasises that the packages of reforms and investments, particularly growth-enhancing ones under the RRF, should also generate EU added value, *notes that according to the Commission the EU-wide GDP effects are around one third larger when explicitly accounting for the spillover effects from individual country measures*; (AM 87 Co-rapporteurs, AM 81) emphasises that the packages of reforms and investments under the RRF should also contribute to the implementation of the European Pillar of Social Rights *and the priorities of the European Green Deal and the Digital Agenda*, (AM 83) *and to the promotion and mainstreaming of gender equality and equal opportunities for all*; (AM 85)
- 5 a. *Calls upon the Commission to assess whether NRRPs have led to unnecessary duplication of investments in NRRPs of neighbouring Member States and to assist Member States in avoiding unnecessary overlap*; (AM 81)

If the compromise is adopted, the following amendments fall: 47, 58, 70-74, 78, 80-88, 388, INTA 4, CONT 1, CONT 2

CA D on paragraphs 6-7

6. Deplores the fact that women¹, children², young people, the elderly and vulnerable groups have been the most impacted by the COVID-19 crisis, recalls the need to ensure **inclusiveness (AM 101), so** that the EU leaves no one behind, and that it tackles gender-

¹European Parliament, Directorate-General for Internal Policies, Policy Department for Citizens' Rights and Constitutional Affairs, *COVID-19 and its economic impact on women and women's poverty – Insights from 5 European Countries*, May 2021.

[https://www.europarl.europa.eu/RegData/etudes/STUD/2021/693183/IPOL_STU\(2021\)693183_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2021/693183/IPOL_STU(2021)693183_EN.pdf)

² Eurochild, *Growing up in lockdown: Europe's children in the age of COVID-19*, 17 November 2020. <https://www.eurochild.org/resource/growing-up-in-lockdown-europes-children-in-the-age-of-covid-19/>

specific socio-economic impacts on its path to recovery, **and that a number of gender specific consequences of the crisis are not addressed by the NRRPs;** welcomes the improvement of the accessibility and the quality of care facilities, but deplores that they remain too limited; (AM 93)

7. Reiterates the importance of the six pillars in providing the Member States with a structure to propose and implement reforms and investments that tackle the green and digital transitions, the economy, productivity and competitiveness, social and territorial cohesion, health and institutional resilience, and measures for children and young people; **highlights that all Member States are required by the RRF Regulation to include in their national recovery and resilience plans measures that address all pillars; deplores that not all Member States chose to respect the pillar structure of the Regulation which would have allowed an easier monitoring;** (AM 99 Co-rapporteurs)

If the compromise is adopted, the following amendments fall: 89-95, 98-101, CULT 10

CA E on subheading 2 and paragraphs 8-10b

Financing aspects of the RRF

8. Notes that in the 26 NRRPs that have been submitted so far, Member States have requested a total of EUR 337.5 billion in grants out of the EUR 338 billion available; notes furthermore that not all Member States, in their current NRRPs, have requested the full amount of grants available to them **as referred to in Article 11 of the RRF Regulation;** (AM 107);
9. Is concerned, however, that only seven Member States have requested loans amounting to a total of EUR 166 billion out of the EUR 385.8 billion available for loans, leaving a considerable amount available should Member States require loans at a later stage; is preoccupied that the limited interest for the loan component may lead to lost opportunities and prevent the RRF from reaching its full potential; **underlines that should Member States whose NRRPs have been already approved wish to request loans, it will require amending respective NRRP, where relevant with the additional set of reforms and investments, milestones and targets, without rolling back measures already implemented, (AM 117) encourages Member States to use full potential of the RRF, (AM 118 Co-rapporteurs, AM 117) including loans, to counter the effects of the pandemic and upcoming challenges;** (AM 113)
10. Tasks the Commission with analysing the reasons why the Member States have not requested loans to the full extent of their allocation; **which could prevent the RRF from reaching its full potential, (AM 135) reminds that a Member State may request loan support at the time of the submission of a recovery and resilience plan or at a different moment in time until 31 August 2023;** (AM 132 Co-rapporteurs, AM 117)
- 10 a. **Recalls that, under Article 21 of the Recovery and Resilience Facility, objective circumstances allow a Member State to make a reasoned request to the Commission to make a proposal to amend or replace the approved plan; recalls that if the Commission considers that the reasons put forward by the Member State justify an amendment of the NRRP, it shall assess the amended NRRP in accordance with Article 19 and put forward a proposal for a Council implementing decision according**

to Article 20 of the Regulation, recalls that such a request for amendment entails an assessment and approval procedure identical to the first assessment and approval procedure **invites Member States to take carefully into account a risk of delaying the implementation of the overall NRRPs, that should be carefully taken into account (AM 141)** notes that, so far, no Member State requested to amend or replace the approved plan, (AM 140 Co-rapporteurs, AM 139) encourages the Member States to make use of Article 21 in the RRF Regulation, (AM 124), **notes that the potential increase of costs of NRRPs due to the significant inflation may result in Member States' requests to update NRRPs (AM 60).**

- 10 b. Notes that the development of Member States' GDP is currently forecast to differ from the Commissions autumn 2020 forecast leading to expected changes in the grant amounts available to Member States for the second 30% funding window of the RRF; points out that significant changes in the allocated grant portion may require amendments of national RRP; (AM 144)

If the compromise is adopted, the following amendments fall: 60, 107-108, 110, 112-120, 124, 127-144, 181, 367, CONT 3, CONT 5, CONT 26, AFCO 6, CULT 11

CA F on subheading 2a and paragraphs 11-14b

11. **Highlights that support from the RRF shall respect the principle of additionality as referred to in Article 9 of the RRF Regulation (AM 149)**, looks forward to more granular and disaggregated data allowing for a better understanding of the additionality impacts of the RRF, urges the Member States to provide detailed, **transparent and timely (AM 154)** information to the Commission in order to ensure effective reporting of the impact of the RRF, **reiterates the importance of the Recovery and Resilience Scoreboard in providing basic information for citizens on the global progress in the implementation of the RRP, calls on the Commission to increase the level of transparency and data visualisation in the Scoreboard; (CONT 8) and for more detailed reporting, focusing on outcome and impact indicators rather than output, as well as ensuring a qualitative analysis of the reforms and investments proposed; (AM 153 Co-rapporteurs, AM 148)**
12. Notes that only **eleven** operational arrangements have been signed between the Commission and Member States so far; **calls on the Commission and Member States to sign operational arrangements as soon as possible and requests the Commission to communicate those arrangements to the Parliament, as well as urges the Commission and all Member States to publish their operational arrangements, financing and loan agreements voluntarily in a timely manner, in order to ensure better transparency and reinforce accountability; (AM 157 Co-rapporteurs, AM 156, AFCO 2)**
13. Observes that 20 Member States have received pre-financing of up to 13 % of their total allocation, that one Member State has not requested pre-financing and that **seven** have so far requested first payments from the RRF; **while one Member State has requested the second payment;**
- 13 a. **Reiterates that delays in the implementation of the Facility and national recovery and resilience plans should not slow down the recovery process following the pandemic and diminish the level of resilience of the Union; (AM 159 Co-rapporteurs)**

14. Recalls that the RRF Regulation provides for the possibility to include in the NRRPs measures started from 1 February 2020 onwards and that some Member States have made use of this possibility;

14 a. Welcomes the early dialogue between the Commission and the Member States in the preparation of the payment requests and Commission readiness in assessing payment requests; encourages it to continue thoroughly assessing whether milestones and targets are complied with, in a timely manner; consulting relevant experts where needed, urges the Commission to ensure a fast deployment of payments and to closely monitor the implementation of reforms and investments; (AM 165 Co-rapporteurs, AM 164)

14 b. Reminds of the need to swiftly proceed with the introduction of a basket of new own resources to cover in full the repayment of the NextGenerationEU instrument and notably RRF, by 2058 at the latest, in accordance with the roadmap set out in the Interinstitutional Agreement concluded in December 2020 by the European Parliament, the Council and the Commission; (AM 167, 169) takes note of the issuance of 'European Green Bonds' to finance the share of climate-relevant expenditure in the RRF; notes that the first offerings of green bonds by the Commission were largely oversubscribed (ENVI 13);

If the compromise is adopted, the following amendments fall: 147-170, 304, ENVI 13, CONT 4, CONT 8, AFCCO 3, CULT 12, AFCCO 2

CA Fa on subheading 2a and paragraphs 14c-14i

RRF's role in mitigating consequences of the Russian invasion of Ukraine

14 c. Highlights the need to enhance the contribution of the EU funding instruments notably RRF in order to tackle current challenges (AM 31) including those caused by the unprovoked and unjustified Russian military aggression and invasion of Ukraine;

14 d. Is concerned that this aggression and EU justified sanctions against Russia and Belarus over Ukraine would seriously impact the economic and social recovery and resilience strategy of the Union, (AM 39, 63, 122) notes that their impact on Member States is heterogeneous, is concerned about uneven effects on the EU economy, the entailing economic and social consequences and even further increasing social inequality; (AM 44) in particular caused by increased energy and food prices; (AM 57) emphasizes that inflation can also potentially lead to a negative change in the expected outcome of the RRF and estimated costs of the Member States' NRRPs (AM 59); expects the determination, unity and speediness of the EU respond to this new crisis to continue;

14 e. Stresses, once again, the Parliament's call for further sanctions including an immediate full embargo on various Russian energy imports and abandonment of the related infrastructure in accordance with its Resolution from 7 April 2022 and for a plan to continue ensuring the EU's security of energy supply, which will inter alia require a recalibration of the European energy policy, taking into account the different degree of energy dependency on Russian fossil fuel imports across Member States;

14 f. *Is concerned that the current situation in Ukraine has a heavy impact on the energy prices and emphasizes the need to strengthen energy independence and security, and diversification of energy sources, including through EU energy sources, and to accelerate the energy transition, (AM 124) stresses the role of the RRF in the rollout of REPowerEU and underlines that the loans available under the RRF could be used to a large extent (AM 123) to supplement the REPowerEU initiative (AM 125) and to advance investments into the energy transition, including development of clean energy, therefore, expects the RRF to contribute significantly to the EU energy sovereignty by energy efficiency, diversification and investments in the just green transition;*

14 g. *Welcomes in this regard the various measures in NRRPs enhancing energy transition and security and measures enhancing strategic autonomy, reducing Member States dependency on imported fossil fuel energy, and accelerating diversification of energy sources, energy efficiency and the development of clean energies, (AM 116, 232, 234) highlights that cross-border projects, the improvement of the interconnection of European gas and electricity energy networks and full synchronisation of the power grids throughout the EU should be promoted to enhance synergies and cooperation between the EU-countries and reflect common concerns and shared priorities; (AM 124, 274)*

14 h. *Urges the Member States in case they do not intend to use the full amount of their maximum allocation of RRF loans to officially inform the Commission, and the Commission to work together to identify the potential amount of RRF loan support that would not be requested by the Member States due to limited interest for the loan component (AM 125), calls on the Commission, where relevant, to come forward with a proposal of targeted amendment of the RRF Regulation (AM 135) to incentivise the optimal use of the resources available under the RRF, including by proposition a reallocation of the loans to other Member States facing additional challenges due to consequences of the Russian invasion of Ukraine and by allowing Member States to request loan higher than 6,8% GNI, (AM 132 Co-rapporteurs, AM 127) particularly to mitigate the economic, social and energy consequences of Russia's (AM 122) invasion of Ukraine in the European Union, (AM 123) and the side-effects of EU restrictive measures against Russia and Belarus; (AM 131)*

14 i. *Acknowledges the need for measures for refugees from Ukraine (AM 225), notably for accommodation, social and child care, education, health care and housing aspects, (AM 121) helping to alleviate their socio-economic situation; (AM 296) therefore stresses, that an increased level of investment in this regard must be ensured (AM 383).*

If the compromise is adopted, the following amendments fall: AMs 31, 39, 44, 57, 59, 63, 77, 103-106, 109, 116, 121-126, 127, 131, 132, 135, 145, 225, 232, 234, 274, 296, 297, 300, 305, 380, 383, 388, ENVI 9, EMPL 4, EMPL 25, INTA 6

CA G on subheading 3 and paragraphs 15-18a

National recovery and resilience plans (NRRPs)

15. Welcomes the fact that **24** NRRPs have been approved and observes that as of early

February 2022, one Member State had not yet put forward its NRRP; further notes that *two* NRRPs are pending assessment by the Commission; ***urges the countries with NRRPs pending assessment to engage in constructive discussions with the Commission in order for the plans to become ready for approval without further delay; calls on the Commission to apply diligently the RRF Regulation to ensure compliance with the 11 assessment criteria as set out in the Regulation (AM 174), when assessing the remaining plans; (AM 173 Co-rapporteurs)***

16. Notes the fact that the Commission's assessments concluded that all approved NRRPs address all six pillars of the RRF and satisfactorily fulfil all assessment criteria as set out in RRF Regulation and represent a balanced package of reforms and investments; considers that Member States could have better aligned their NRRPs to the six RRF pillars and the requirements of the RRF Regulation;
17. Reminds the Commission that ***compliance with the Rule of Law and with Article 2 TFEU a prerequisite to have access to the fund and (AM 188)*** the rule of law conditionality mechanism is ***fully applicable for (AM 194)*** the RRF; ***calls on the Commission to apply diligently the RRF rules when assessing the remaining plans;*** calls on ***the Commission and Council*** to refrain from ***approving the draft*** NRRPs of Poland and Hungary as long as concerns regarding the observance of the rule of law, ***independence of the judiciary*** and the prevention and detection of and fight against fraud, conflicts of interest and corruption persist in those countries, ***and in particular, expects the three conditions for disbursing the RRF funds to Poland mentioned by the Commission President on 19 October 2021 to be fulfilled; (AM 188)*** ***reminds Member States that the failure to fully comply with the provisions of the RRF Regulation and the subsequent delays in the approval of the NRRPs, seriously affect the capacity of local and regional authorities in adequately tackling the impact of the pandemic on their communities, businesses and citizens and can lead to a long term worsening of the local and regional economic situation; (AM 189 Co-rapporteurs, AM 188, 192);***
18. ***Recalls that no measures should be financed under the RRF if they are it is contrary to the EU values enshrined in Article 2 TUE; (AFCO 4), urges the Commission to monitor very carefully the risks to EU financial interests in the implementation of the RRF and any breach or potential breach of the principles of the rule of law in accordance with Rule of Law Conditionality Regulation (EU) 2021/241 (CONT 12) and to take immediate action if the financial interests of the EU could be harmed and in accordance with Rule of Law Conditionality Regulation (EU) 2021/241 (CONT 12), (AM 194) calls on the Commission, therefore, to be particularly strict with the Member States in complying with the protection of the financial interests of the Union, as enshrined in Article 22 of that Regulation; (CONT 12)***
- 18 a. ***Furthermore, recalls that the observance of rule of law and the sound financial management of EU funds are to be evaluated continuously throughout the lifecycle of the RRF and that the Commission shall refrain to disburse funding and, where applicable, recover funds, in case such conditions are no longer fulfilled; (AM 198 Co-rapporteurs, AM 192)***

If the compromise is adopted, the following amendments fall: 59, 171-180, 185-198, 327, CONT 6, CONT 27, CONT 29, AFCO 4, EMPL 16, EMPL 27, AFCO 4, CONT 12

CA H on paragraphs 19-21

19. Notes *that the Commission's assessment states* that all approved NRRPs expect to reach the green target of at least 37 % set out in the RRF Regulation, and that the overall climate expenditure of all approved NRRPs reaches almost EUR 220 billion; *points out, however, that external reviews of the spending identify lower figures with regard to Green spending; highlights in this regard that the milestones and targets associated with climate-related measures should have been defined in a way to ensure that the implemented measures are as climate-supportive as announced; (AM 201) underlines that the NRRPs should contribute to the green transition, including biodiversity; (AM 203) notes existing concerns whether all relevant measures effectively contribute to the achievement of the objectives; (AM 204)*
- 19a. Recalls that the NRRPs need to be consistent with the National Energy and Climate Plans (NECPs) and the updates thereof under Regulation (EU) 2018/1999; calls on the Commission to assess the contribution of the investments earmarked for the green transition under the NRRPs to the achievement of the new 2030 climate and energy targets set out in the respective revised (NECPs); ~~provide information on the contribution of the RRF measures to the achievement of the new 2030 climate and energy targets;~~ (AM 209)**
- 19b. Reminds the RRF should contribute to the mainstreaming of biodiversity action in Union policies (AM 208); notes positively that several NRRPs contribute significantly to biodiversity but insists believes that Member States could have used the RRF more to improve biodiversity;**
- 19c. Warns against the risk of "greenwashing" in the implementation of NRRPs, particularly as regards some measures, including renovation ones, tagged as contributing to the green spending requirements, including on energy-efficient building renovation (AM 208);**
20. Notes that all approved NRRPs expect to achieve the digital target of at least 20 % set out in the RRF Regulation, *while some Member States have even allocated more than half of their RRF funds to measures qualifying for the digital target*; and that the overall digital expenditure of all approved NRRPs reaches almost 29 % or EUR 130 billion; *welcomes a strong focus in NRRPs on supporting SMEs (AM 214) and the digitalisation of public services, including the health sector, and digital skills, digitalisation of business, connectivity, digital R&D and advanced technologies; notes that two thirds of Member States included a security self-assessment for investments in digital capacities and connectivity in their RRFs;(AM 212 Co-rapporteurs)*
- 20 a. Reminds the Commission and Member States that according to the RRF Regulation, investments in digital technologies should respect the principles of interoperability, energy efficiency and personal data protection, allow for the participation of SMEs and start-ups, and promote the use of open-source solutions, stresses that digital procurement calls must be carefully designed notably for giving the access for SMEs to relevant public investment; (AM 215)**
- 20 b. Notes that several NRRPs contain investment proposals in 5G connectivity; recalls that Member States should ensure coherence and complementarity in the deployment of 5G connectivity, mobile broadband and infrastructure in all areas so that no one is left behind (AM 285);**

21. Underlines the importance that the NRRPs dedicate almost 50 % of total expenditure or EUR 203 billion to measures to benefit the well-functioning of the single market, improving the business environment and promoting private investments; **reiterates the importance of private sector in the successful implementation of the RRF; urges the Member States to facilitate private investments in connection to the RRF-funded projects by lifting** (AM 111) all unnecessary obstacles that would prevent SMEs from accessing the relevant RRF funding, **and to this end, calls on the Commission to provide detailed analyses on the access of the private sector to RRF funding;** (AM 357, AM 220 Co-rapporteurs) **asks Member States to implement the NRRPs according to a transparent schedule to allow the private sector to plan their activities and projects according to the relevant measures;**(AM 217)

If the compromise is adopted, the following amendments fall: 111, 200-209, 212-220, 285, 357, ENVI 3, ENVI 6, ENVI 7, ENVI 10, EMPL 15

CA I on paragraphs 22-24a

22. Notes that the Commission estimates social spending in the NRRPs to account for around 20 % of the grants and loans requested; observes that this expenditure focuses on employment incentives for specific disadvantaged groups, reforms of employment protection legislation and labour contract regulation; **recalls that the social consequences of the pandemic have been manifold and have unevenly and disproportionately** (AM 233) **burdened lower income and vulnerable groups while at the same time reinforcing the need for public services;** (AM 226) regrets that social investment measures have been rather limited to social infrastructure and that only some NRRPs contain measures for the development of proper care services and temporary support measures;
- 22 a.** Supports the Commission's aim, through the RRF, of building a more resilient and inclusive labour market, **while noting that relevant measures should promote high-quality employment** (AM 222)
- 22 b.** **Points out that all approved NRRPs so far address social and employment challenges such as measures for improving labour market participation, promoting upskilling and reskilling, the modernisation of labour market institutions and services, as well as of social protection and healthcare systems;** (AM 228 Co-rapporteurs) **regrets that some Member States are lacking behind in strengthening the social dimension of their plans;** (AM 233)
23. Underlines the importance of reforms and investments in health, economic, social and institutional resilience to increase crisis preparedness and crisis response capacity, which account for more than 17 % of total NRRP allocations, representing EUR 76 billion; **highlights that according to the Commission under this RRF pillar Member States have to implement 789 measures linked to 1 900 milestones and targets, emphasises that COVID-19 has demonstrated the importance of improving the resilience of public institutions to shocks** (AM 230, 231 Co-rapporteurs)
24. Notes that approved NRRPs envisage expenditure on healthcare-related measures of EUR 37 billion, which corresponds to 8 % of total NRRP expenditure; **observes that the highest contribution is earmarked for renovating and expanding hospital**

*infrastructure, followed by strengthening primary care and prevention, digital transition in health care and long-term care; expects these healthcare-related measures to contribute to increasing the **capacity and** (AM 237) resilience of healthcare systems and their preparedness for future crises; **is concerned that many Member States did not include sufficient measures to make mental health care accessible and affordable for all age groups, (AM 238) and highlights that mental health should represent an integral part of the EU's socio-economic recovery from the pandemic and an occupational health priority; (AM 241 Co-rapporteurs) is concerned that some Member States did not include sufficient measures to tackle long-standing public healthcare challenges;(AM 237)***

- 24 a. Observes that public administration modernisation features prominently in many NRRPs with approximately EUR 1.8 billion expected investment in the enhancement of the public administration; **stresses that NRRPs could contribute to increase the capacity of public administrations to manage European funds effectively at national, regional and local levels; (AM 242) underlines that the benefits of reforms go beyond of their associated costs, which should lead to concrete positive impact on citizens; (AM 241 Co-rapporteurs)***

If the compromise is adopted, the following amendments fall: 221-231, 233, 235-242, CULT 17, EMPL 1, EMPL 9, EMPL 10, EMPL 23

CA J on paragraphs 25-26

25. Notes that approved NRRPs envisage expenditure dedicated to children and young people, including early childhood education and care, youth unemployment and skills, of EUR 49 billion, which corresponds to approximately 11.5 % of total NRRP expenditure; **notes that the amount represents a first step in ensuring that coordinated measures dedicated to next generation are being implemented in all 27 Member States;** is concerned that many NRRPs do not properly reflect the ambitions set by the European Child Guarantee and that they reflect only partially those of the reinforced Youth Guarantee; **deplores that two Member States chose not to include in their plans measures specifically dedicated to children and youth but preferred to present measures that foster skills and digital skills for all citizens; (AM 243 Co-rapporteurs)**
- 25 a. Observes that almost all approved NRRPs contain investment in digital education, making up about 30% of the total spending on education; welcomes the focus on the modernisation of education infrastructure and equipment in the Member States; (AM 248 Co-rapporteurs)*
- 25 b. Notes that in total so far, Member States have put forward 228 measures with a focus on supporting children and youth; notes that 74% of the measures focus on general, vocational and higher education and training capacity, as well as accessibility; affordability, quality and inclusiveness; including digitisation and infrastructure; further notes that 14% of the measures are dealing with early childhood education and care, early school leaving and child poverty; notes that 12% of the measures focus on tackling youth unemployment through job creation, hiring, job transition incentives and support for self-employment; (AM 252) **emphasises that Parliament has asked the Member States to dedicate at least 2 % of the budget of each NRRP to culture and 10 % to education; notes that 16 Member States have included culture-***

related measures in their NRRPs; (CULT 6) believes that Member States could have used the RRF more to support those sectors; (CULT 5, AM 245, 247);

- 25 d. *Calls for the Commission to continue monitoring the implementation of the six pillars and ensuring granular data is made available in the RRF scoreboard; asks the Commission to facilitate more regional methods of monitoring implementation through the Scoreboard and welcomes monitoring initiatives at EU and national level enhancing monitoring of RRF implementation; (AM 251 Co-rapporteurs) notes positively that several Member States provide data at regional level and invites the other Member States to provide data at regional level; (AM 246)*
26. *Underlines that the RRF must not be used to substitute recurring national budgetary expenditure, unless duly justified; notes that the Commission has only approved NRRPs to cover the initial costs of setting up and launching reforms, reminds that the RRF must be implemented in a way that it does not undermine the Member States' own responsibility for the management of public finances (AM 255); calls on the Commission to provide details on the assessment of the compliance with this horizontal principle and any related justification;*

If the compromise is adopted, the following amendments fall: 96, 97, 243-257, AFCO 5, CULT 3-8, CULT 16, CULT 18-22, EMPL 2, EMPL 5-8, EMPL 17, EMPL 22, CONT 10

CA K on paragraphs 27-28

27. *Points out that the principle of 'do no significant harm' was evaluated for each measure by the Commission in accordance with its technical guidance; stresses that the application of the 'do no significant harm' criteria as developed in the Commission's guidance note must prevent environmentally harmful measures; asks the Commission to disclose the submitted 'do no significant harm' assessments and stresses that the Commission should to carefully check examine and monitor the full respect of this principle during the implementation phase; (AM 260, 261) notes that in order to comply with the principle, some Member States had to improve certain measures; stresses, moreover, that the full respect of the 'do no significant harm' principle should be carefully examined and monitored during the implementation phase of the NRRPs as well; (AM 261, 262) notes that the compliance with the principle further entailed initial inconsistencies between the requirements of the Commission and those of EIB and EIF for the countries that provisioned their InvestEU envelopes with RRF funds which may have led to and consequently delays in the implementation process; (AM 264 Co-rapporteurs)*
28. *Observes that a large majority of NRRPs include a specific section explaining how the plan addresses gender-related concerns and challenges; notes that NRRPs contain measures focusing on the participation of women in the labour market and the reduction of the gender pay gap; (AM 271 Co-rapporteurs) but expresses disappointment that they fall short of including a dedicated explanation how the plan addresses gender-related concerns and challenges (AM 267) underlines the importance of high-quality public care services to alleviate the burden of unpaid care work which is currently largely covered by women with negative consequences on GDP; (AM 270) asks the Commission to provide a study to check to which extend the RRF contributes to create jobs in sectors where one gender is predominantly*

represented and the accompanying measures contribute sufficiently to increase the presence of the least represented gender in those sectors (AM 270);

If the compromise is adopted, the following amendments fall: 183, 258-273, ENVI 5, EMPL 18

CA L on paragraphs 29-29d

29. *Notes that twenty Member States foresee cross-border projects in their NRRPs mostly focusing on infrastructure, such as rail or electricity connections, hydrogen, quantum technology, 5G connectivity, cloud capabilities and innovation hubs; is disappointed that NRRPs did not include higher number of cross-border projects in order to enhance spill-over effects and contribute to EU added value; notes that twenty Member States foresee cross-border projects such as Important Projects of Common European Interest in their NRRPs mostly focusing on infrastructure; calls on the Member States to clarify the role for relevant stakeholders in the roll-out and implementation of the multi-country projects, where relevant; (AM 275 Co-rapporteurs) believes that further cross-border measures should have been included in the NRRPs in order to enhance its spill-over effect and to boost its EU added value; (AM 276)*
- 29 a. *Notes, in particular, the importance of cross-border projects related with energy transmission across Member States; believes that in the current context, NRRPs would have benefitted more from further cross-border projects, particularly in the field of energy; stresses that these investments are crucial for achieving energy sovereignty and the green transition; (AM 277) underlines that the current situation shows how crucial is the diversification of the EU's energy sources and proper functioning of the internal market for electricity between Member States; (ENVI 8) calls for the improvement of the interconnection of European gas and electricity energy networks and to fully synchronise the power grids throughout the EU (AM 274); furthermore stresses the importance to increase efforts in energy efficiency in order to limit the expected growth of electricity demand; (ENVI 8)*
- 29 b. *Observes that one Member State proposed to transfer structural funds to its NRRP, that only two Member States plan to provision their InvestEU envelopes with RRF funds and that only three Member States foresee incorporating the costs of technical support in their NRRPs; regrets that the provision to transfer RRF funds to the InvestEU national compartments has not been used to its full potential; recalls that synergies among different EU funds is essential for a proper recovery and consolidated resilience of the Union and reminds Member States that the use of this provision contributes to enhancing synergies; (AM 280 Co-rapporteurs, AM 279)*
- 29 c. *Reminds that according to the RRF Regulation the recovery and resilience plans shall also be consistent with the information included by the Member States in the partnership agreements and operational programmes under Union funds; reiterates that this provision is not only important to avoid double-funding or overlapping of objectives, but also to ensure a coordinated approach and maximise the benefits of EU funding; requests the Commission to provide an analysis how this coordination is ensured; takes note that the adoption of the NRRPs has led in some instances to the delays in the adoption of Partnership Agreements (AM 281) and is concerned with the consequences of these delays, calls on the Commission and the Member States to*

avoid further delays in the preparation and adoption of Partnership Agreements and calls on these delays to be addressed swiftly; (AM 282 Co-rapporteurs, AM 281)

- 29 d. **Highlights that synergies and coherence between RRF and other Union funding programmes are essential in order to ensure a proper recovery and consolidated resilience of the Union;** (AM 286) **calls on the Commission and Member States to foster synergies between NRRPs and other Union funding programmes, in particular Partnership Agreements** (AM 281, 286, 287); **questions how the Commission has encouraged Member States to foster synergies with NRRPs of other Member States;** (AM 284 Co-rapporteurs, AM 283)

If the compromise is adopted, the following amendments fall: 274-284, 2286-287, ENVI 8

CA M on paragraphs 30-31

30. **Reminds Member States that the NRRPS are expected to contribute to effectively address all or a significant subset of challenges identified in the relevant country-specific recommendations, including fiscal aspects thereof and recommendations made pursuant to Article 6 of Regulation (EU) No 1176/2011 where appropriate, addressed to the Member State concerned or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester;** (AM 291 Co-rapporteurs) notes the Commission assessment that all NRRPs address at least a significant subset of challenges identified in the relevant European Semester recommendations but that not all challenges are addressed;
- 30 a. **Recognises the positive impact of necessary tax reforms in the Member States that are included in some national plans, while deploring that none of the Member States concerned with CSR on aggressive tax planning, tax avoidance, tax evasion and money laundering, have addressed those challenges in their NRRPs;** (AM 199)
- 30 b. **Calls on the Commission to adequately evaluate the fulfilment of all milestones and targets, including those related to CSRs in the NRRPs in the disbursement phase of the Facility and to reduce proportionally payments, based on the importance of the milestones and targets, whether agreed milestones and targets are not satisfactory met, including not rolling back on previously achieved milestones and targets; furthermore, calls on the Commission, if necessary, to make use of the provisions of the Regulation, allowing it to recover grants or ask for early repayment of loans in case of breach of the obligations of Member States under the financing agreements;** (AM 292 Co-rapporteurs)
31. **Notes that, according to the Commission assessment, all Member States received an A-rating for almost all criteria provisioned in the RRF Regulation;** recalls that, according to the Commission assessment, all Member States received a B-rating for the criteria that evaluates whether the estimated total costs of the NRRPs are reasonable; **calls on the Commission to ensure that costs are plausible and that proper cost analysis is being conducted in order to tackle fraud and corruption; urges the Commission to thoroughly assess the satisfactory fulfilment of milestones and targets before accepting payment requests, and also ensure that previously achieved milestones and targets have not been reversed;** (AM 298 Co-rapporteurs)

If the compromise is adopted, the following amendments fall: 199, 288-295, 298-299, 304-305, INTA 3, CONT 6, CONT 17, CONT 18, EMPL 11

CA N on subheading 4 and paragraphs 32-a - 32e

Transparency, (AM 306) monitoring and control mechanisms

32 -a. *Stresses the importance of transparency and sound procedural management, throughout the procurement processes and practices; calls, in this respect, on the Member States to ensure equality and fairness particularly access to all, including the micro, small and medium size enterprises, in the procurement process; (AM 301, 302)*

32 -b. *Urges Member States to timely launch public procurement for the implementation of measures in order to ensure completion with the calendar of milestones and targets; (AM 303 Co-rapporteurs)*

32. *Stresses that transparency is key for a strong monitoring system of the NRRPs that would allow meaningful public engagement; (AM 313) reiterates its regrets that the Council refused the creation, supported by the Parliament and Commission, of an online platform where final beneficiaries would be publicized; observes, that by the nature of the instruments, the control focuses on the achievement of results and outputs instead of verifications of costs; notes that this approach can simplify the implementation and contribute to the achievement of the desired outcome; warns that, without the proper monitoring, it could make the detection of abuse of EU funds more difficult; (AM 307); nevertheless, (AM 308 Co-rapporteurs) urges the Commission to take the appropriate measures to ensure early detection of abuse of EU funds; calls on it to monitor rigorously any possible occurrence of double funding and, if such occurrences are confirmed, to proceed with the recovery of funds without delay;*

32 a. *Calls on the Commission to inform the budgetary authority about the use of the IT systems set up by the Commission for Member States to report the relevant information on the implementation of the NRRPs; (CONT 20)*

32 b. *Urges the Member States to collect and record data on final recipients and beneficiaries of Union funding in an electronic standardised and interoperable format and to use the single data mining and risk scoring tool provided by the Commission; urges the Commission to insist on the use of the integrated and interoperable monitoring system including a single data-mining and risk-scoring tool (ARACHNE) for all RRF spending; (AM 309) and to ensure that ARACHNE is interoperable with all relevant software and datasets (AM 310 Co-rapporteurs) to keep the administrative burden as low as possible; furthermore, reiterates the importance of digitalising all reporting, monitoring and audit; (AM 312 Co-Rapporteurs, AM 337, CONT 20, 21)*

32 c. *Recalls that Member States should collect and ensure access of data on beneficial owner(s) of the recipient of the funds and beneficiaries of the programme and reiterates the importance of ensuring the transparency of final beneficiaries, without providing an extra burden on the reporting; (AM 312 Co-rapporteurs) calls upon the Commission and Member States to publish periodically up-to-date data on final beneficiaries and on transferred funds for the sake of public trust and transparency, (AM 311, AM 316) calls on the Commission to establish an integrated, interoperable,*

and easy to use system which contains information on all EU co-financed projects, beneficiaries and beneficial owners, (CONT 21) contractors and sub-contractors (CONT 20) and is able to aggregate all amounts received by the same beneficiary or beneficial owner; (CONT 21)

32 d. Reminds the Commission that in the evaluation of NRRPs and payment claims it can be assisted by experts and invites to make full use of this provision, where relevant, particularly if it lacks the in-house capacity to thoroughly scrutinise the plans or the fulfilment of milestones and targets; raises doubts about the Council's sufficient capacity to analyse NRRPs properly or payment claims and calls to ensure that they are adequately assessed; (AM 314 Co-rapporteurs, AM 210)

32 e. Urges the Commission to ensure that the evaluation of the milestones and targets achieved by the Member States as part of their NRRP will be based on a comprehensive and transparent assessment of the milestones and targets in all their dimensions, in particular their quality; (AM 315)

If the compromise is adopted, the following amendments fall: 210, 301-303, 306-316, 337, INTA 7, CONT 7, CONT 8, CONT 9, CONT 19, CONT 20, CONT 21, AFCO 3, CULT 9

CA O on paragraphs 33-33e

33. Recalls that Member States are required to set up robust control **and audit systems** in order to guarantee the protection of the financial interests of the Union, prevent and tackle **fraud, corruption and conflicts of interest and secure transparency**, and that the Commission is responsible for assuring that these systems are in place **and fully-functioning** before the first payments are approved; (AM 322) **recalls that payments are to be disbursed upon achievement of milestones and targets; (AM 317)**

33 a. Notes that the Commission largely relies on Member States to thoroughly audit the NRRP implementation; (AM 210) urges the Commission to ensure effective monitoring, audit and enforcement of the full implementation of these requirements (AM 211) and to monitor ongoing compliance with any such measure through the entire lifecycle of the RRF; (AM 317); calls on the Commission to ensure a strong mechanism for regular auditing of Member States control systems (AM 210);

33 b. Reiterates the important role of the Court of Auditors, EPPO, OLAF, Europol, and Eurojust and other relevant EU Bodies and Agencies in supporting Member States and the Commission to protect the financial interests of the Union during the implementation of NGEU and calls on these institutions and bodies to make full use of their prerogatives under the RRF Regulation and other relevant legislation to prevent, detect, correct and investigate fraud, corruption, conflict of interests in order to scrutinise thoroughly all RRF spending (AM 331 Co-rapporteurs, AM 332, 318, 320); reminds that those EU bodies and Agencies should be endowed with the adequate resources to fulfil their tasks (AM 323); calls on the Commission to cooperate with and to ensure that adequate control capacities are in place for these institutions and bodies and that are granted full access by Member States to all relevant information to exert their prerogatives; (AM 326 Co-rapporteurs);

33 c. Welcomes the NGEU Law Enforcement Forum as well as the Operation Sentinel,

which in a cooperative manner shall help to prevent and counter threats against NGEU funds and, more broadly, against the financial well-being of the Union; (AM 325) and map vulnerabilities in national allocation systems; (AM 318)

- 33 d. Reiterates the importance of the Commission undertaking a continuous, including ex-post, monitoring of the RRF expenditure, implementation and management data, ensuring full transparency together with the Member States in order to analyse the results of the RRF, (AM 335) and identifying and addressing any weaknesses in this regard; (AM 333 Co-rapporteurs)**
- 33 e. Reminds that in the framework of the discharge procedure to the Commission, in accordance with Article 319 TFEU, the RRF shall be subject to reporting under the integrated financial and accountability reporting referred to in Article 247 of the Financial Regulation, and, in particular, separately in the Annual Management and Performance Report; (AM 334 Co-rapporteurs, AM 336)**

If the compromise is adopted, the following amendments fall: 210-211, 317-326, 329-336, CONT 11, CONT 12, CONT 13, CONT 14, CONT 15, CONT 16, CONT 23, CONT 24, CONT 25, CONT 28, CONT 33

CA P on subheading 5 and paragraphs 34-34h

Governance, transparency and visibility of RRF implementation

- 34. Reaffirms Parliament's role in scrutinising the implementation of the RRF, in particular through five plenary debates held in 2021, two adopted resolutions, four Recovery and Resilience Dialogues held with the Commission in 2021, 20 meetings of the dedicated working group on the scrutiny of the RRF, parliamentary questions, and the regular flow of information and ad hoc requests for information from the Commission; *recalls that Article 25 of the RRF Regulation requests the Commission to transmit relevant documents and information simultaneously and on equal terms to the European Parliament and to the Council; notes that, despite the slow start of the proper process of a document flow, and difficulties encountered on the access of the Parliament to information received by the Commission and transmitted by the Member States (AM 147), welcomes that better appropriate communication procedures were put afterwards in practice; (AM 339 Co-rapporteurs) and calls for maintaining this optimal information flow;***
- 34 a. Invites the Commission to follow an open, transparent and constructive approach during the recovery and resilience dialogues and to observe the provision of Article 26(1) as regards regular interactions with the Parliament; recalls that the inter-institutional cooperation established through the RRF should become a minimum standard in all funding programmes; (AM 344 Co-rapporteurs)**
- 34 b. Invites national parliaments and relevant stakeholders, in accordance with national legal framework, the Member States to follow the example of the European Parliament and establish national parliamentary committees to scrutinise the implementation of their NRRPs in an open, transparent and democratic way; (AM 347)**

- 34 c. *Regrets that in all Member States local and regional authorities, civil society organisations, social partners, academia (AM 328) or other relevant stakeholders were not sufficiently involved, in the design and the implementation of the NRRPs, in accordance with the national legal framework, and calls for their involvement based on clear and transparent principles in the implementation of the NRRPs to the maximum extent possible under the national legislation; (AM 349 Co-rapporteurs, AM 182, 184, 385)*
- 34 d. *Recalls that local and regional authorities, civil society organisations, social partners and the other relevant stakeholders are at the forefront of NRRP local implementation and reminds the Commission and the Member States that proper involvement and coordination with local and regional authorities, civil society organisations, social partners, and other relevant stakeholders in the implementation and monitoring of the plans is decisive for the success of the recovery in the Union and is essential for the effectiveness and broad ownership of NRRPs; (AM 349 Co-rapporteurs, AM 182, 184, 384) invites the Commission to explore ways to establish a dialogue with representatives at the EU level of the relevant RRF stakeholders; (AM 348)*
- 34 e. *Calls on Member States to ensure clarity in the distribution of responsibilities and (AM 351) adequate management systems of RRF funds to take into consideration the specific needs of the citizens at regional and local levels, while respecting the principles of non-discrimination and equal treatment; reminds that implementation of NRRPs' measures shall respect all relevant laws in accordance with national legal framework; (AM 354 Co-rapporteurs)*
- 34 f. *Expects the review report on the implementation of the RRF prepared by the Commission to provide extensive data and analysis on the contributions of NRRPs to the implementation of the European Pillar of Social Rights, including the gender impact of NRRPs and the effective contribution of the NRRPs to gender equality, as well as the support to the SMEs and the strategic autonomy; (AM 355 Co-rapporteurs); furthermore calls on the Commission to assess whether the legally specified spending targets of 37% green spending and 20% digital spending are likely to be reached as planned during the implementation phase of the RRF and calls on the Member States to take the steps deemed necessary to achieve those targets; (AM 146)*
- 34g. *furthermore Calls on the Commission to assess whether the legally specified spending targets of 37% green spending and 20% digital spending are likely to be reached as planned during the implementation phase of the RRF and, where relevant, calls on the Commission to encourage Member States to take the steps deemed necessary to achieve those targets, where they anticipates that they could be missed; (AM 146), where relevant with the support of the Commission;*
- 35h. *Expects the review report on the implementation of the RRF prepared by the Commission to provide information on the bottlenecks, where relevant, that prevent the adequate implementation of NRRPs; (AM 366)*

If the compromise is adopted, the following amendments fall: 146, 147, 182, 184, 328, 366, 339-342, 344-356, 358-359, 384, 385, ENVI 4, ENVI 12, CONT 2, CONT 30, CONT 31, CONT 32, AFCO 1, AFCO 2, CULT 13-15, EMPL 14, EMPL 19

CA Q on paragraphs 35-36a

35. Welcomes the launch in December 2021 of the recovery and resilience scoreboard, which will allow every citizen to monitor the implementation of the RRF; **notes that, in line with the Delegated Act on common indicators, Member States shall report on several indicators, including for the implementation of the EPSR and SMEs supported;** (AM 364 Co-rapporteurs) **invites the Commission to improve and enhance the capabilities of the scoreboard to ensure a high degree of visibility and accountability for the RRF;** (AM 362) **welcomes that the scoreboard contains gender-disaggregated data for indicators expressed with a headcount;** (AM 272)
- 35 a. **Urges the Commission to enforce that Member States should provide the data necessary to report on the progress with regard to the six pillars of the RRF regulation and thereby enable every citizen to monitor the implementation of the RRF;** (AM 363) **deplores however that Member States were reluctant to provide more granular data to feed into the recovery and resilience scoreboard; notes that more granular data would have allowed citizens to better hold their governments accountable;** (AM 367)
- 35 b. **Emphasises that one of the aims of the Regulation is to contribute to achievement of EU social objectives and highlights the importance to have methodologies in place for displaying the progress on the implementation to contribute to the European Pillar of Social Rights; therefore, is concerned that the delegated act on social expenditure and on the resilience scoreboard will not be sufficient to track and to report on the social and gender dimensions and impacts of the RRF;** **calls on the Commission to better reflect the tracking of the implementation of the 20 principles of the EPSR through complementary social and gender indicators included in the thematic analysis of the scoreboard;** (AM 102, 273)
- 35 c. Calls on the Commission to present complementary indicators included in the thematic analysis of the scoreboard to track Member States' performance on biodiversity and cohesion and competitiveness;**
- 35 d. **Reminds that according to the RRF regulation the Commission shall implement information and communication actions relating to the Facility; encourages the Commission, through its representation offices in the Member States and in cooperation with the European Parliament Liaison Offices in the Member States, to launch events in the Member States that promote the scoreboard and present the different analyses conducted by the Commission, including on the 6 pillars; encourages the Commission to publish detailed analysis on the positive effects of the RRF by highlighting good practices in the implementation of the national NRRPs and recommendations for overcoming implementation obstacles and improving the effective use of the funds;** (AM 365 Co-rapporteurs)
- 35 e. **Points out that national public administrations face a considerable challenge in absorbing all RRF funding in such a short space of time; urges the European Commission to actively support Member States in absorbing those funds, so that RRF funds are successfully disbursed across the Union;** (AM 368)
- 35 f. **Remains committed and intends to make full use of the range of possibilities offered**

by the RRF Regulation to assess, scrutinise and promote the RRF, including through events and activities including at local, regional and national level; (AM 369 Co-rapporteurs, AM 340)

- 35 g. *Welcomes the initiative of the European Ombudsman of preparing 'Good Practice Principles for governing transparency in the use of recovery funds'; (AM 370)*
36. Notes that Member States' NRRPs report on their communication strategies; deplors however that, without a clear standard, such communication campaigns are envisaged to be very different, thus limiting the visibility of the RRF and EU funding overall; **welcomes the fact that most Member States have followed the Commission's recommendations by designing specific websites where RRF-related information is displayed, but regrets the fact that there are major differences in the details of the available information made public on them;** (CONT 22)
- 36 a. *Calls for further harmonisation of information available for citizens on national implementation and on national RRF-related communication strategies to foster transparency and accountability, thus reinforcing ownership of implementation; invites the Commission to recommend an harmonised approach and standard for displaying information on the implementation of the RRF at national/regional level, asking Member States to adhere to such standard or explain deviations; (AM 372 Co-rapporteurs)*

If the compromise is adopted, the following amendments fall: 102, 360-365, 368-372, 367, ENVI 11, EMPL 21, EMPL 24, CONT 22

CA R on paragraphs 36b-38

Lessons learned from the RRF so far

- 36 b. *Reiterates the importance of a successful implementation of the RRF by the Member States in order to ensure the long-term impact on the EU's economy and society, highlights that the review of the EU economic governance framework will be the opportunity to draw lessons from successes but also shortcomings of the RRF; urges the Commission to explore and to present different scenarios on how these lessons learned from the design and implementation of the RRF could inspire as an inspiration for the review of the EU's macro-economic governance framework, in particular with regard to achieving more transparency, democracy, involvement, coordination and oversight;*
- 36 c. *Underlines that the RRF demonstrated the importance of a strong involvement of the European Parliament, together with the Council, in defining and designing the EU common priorities, to respond to the response to the new challenges and the design of underlying political guidelines and governance mechanisms, as well as, in scrutinising the implementation of the Facility for a strong European ownership of the Facility; reaffirms once again that the Parliament should have be treated on an equal footing with Council in scrutinising the implementation of the Facility and calls on the Commission to ensure that the same consideration equal treatment for both institutions would be applied in future EU initiatives; highlights the importance of delegated acts in enhancing the democratic accountability and legitimacy of*

the process;

- 36 d. *Notes positively that the EU support, provided to reforms and investments in the form of packages together with incentives, played an instrumental role in reinforcing the national ownership of the RRF and the European Semester based on common EU priorities; furthermore, highlights that meaningful social and territorial dialogues with **the a** high level of involvement of local and regional authorities, social partners and civil society organisations, within the national legal framework, is essential for national ownership, successful implementation and democratic accountability and that this **should be strengthened and more diligently applied and** could inspire future **other** initiatives and mechanisms in the EU and its Member States;*
- 36 e. *Recognises, based on the good example of the RRF, as part of the NGEU, the strong added value of a common, modern and effective EU response that can be mobilised quickly to cope with crises and new challenges;*
37. *Calls on the Commission to fully take into account Parliament's views in the upcoming review report on the implementation of the RRF, which the Commission shall present to Parliament and the Council by 31 July 2022; **calls on the Commission to also take into account the input of all relevant stakeholders in that report;** (AM 381)*

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38. *Instructs its President to forward this resolution to the Council, the Commission, **the Court of Auditors, the European Economic and Social Committee, the European Committee of the Regions** and to the governments and parliaments of the Member States. (AM 390)*

If the compromise is adopted, the following amendments fall: 41, 42, 46, 66, 70, 76, 79, 338, 343, 373-379, 381, 382, 383, 386, 387, 389, 390, AFCO 7, EMPL 20, EMPL 26

CA S on citations

The European Parliament,

- *having regard to Article 175 of the Treaty on the Functioning of the European Union,*
- *having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility³ (RRF Regulation),*
- *having regard to Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget⁴ (Rule of Law Conditionality Regulation),*

³ OJ L 57, 18.2.2021, p. 17.

⁴ OJ L 433 I, 22.12.2020, p. 1.

- having regard to its resolution of 20 May 2021 on the right of information of the Parliament regarding the ongoing assessment of the national recovery and resilience plans⁵,
- having regard to its resolution of 10 June 2021 on the views of Parliament on the ongoing assessment by the Commission and the Council of the national recovery and resilience plans⁶,
- ***having regard to its resolution of 7 April 2022 on the conclusions of the European Council meeting of 24-25 March 2022, including the latest developments of the war against Ukraine and the EU sanctions against Russia and their implementation⁷, and its resolution of 19 May 2022 on the social and economic consequences for the EU of the Russian war in Ukraine - reinforcing the EU's capacity to act⁸,***
- having regard to Commission Delegated Regulation (EU) 2021/2106 of 28 September 2021 on supplementing Regulation (EU) 2021/241 of the European Parliament and of the Council establishing the Recovery and Resilience Facility by setting out the common indicators and the detailed elements of the recovery and resilience scoreboard⁹,
- having regard to Commission Delegated Regulation (EU) 2021/2105 of 28 September 2021 supplementing Regulation (EU) 2021/241 of the European Parliament and of the Council establishing the Recovery and Resilience Facility by defining a methodology for reporting social expenditure¹⁰,
- ***having regard to the Opinion of the European Economic and Social Committee of 20 October 2021 on the Annual Sustainable Growth Strategy 2021^{5b}, (AM 4)***
- having regard to the Commission communication of 24 November 2021 entitled ‘Annual Sustainable Growth Survey 2022’ (COM(2021)0740),
- having regard to the Commission communication of 24 November 2021 entitled ‘2022 Draft Budgetary Plans: Overall Assessment’ (COM(2021)0900),
- having regard to the Commission staff working document of 24 November 2021 entitled ‘Analysis of the euro area economy’, accompanying the document ‘Recommendation for a Council Recommendation on the economic policy of the euro area’ (SWD(2021)0362),
- ***having regard to the Opinion of the European Committee of the Regions of 1 December 2021 on the implementation of the Recovery and Resilience Facility^{5a}, (AM 3)***
- ***having regard to the Commission's first annual report on the implementation of the Recovery and Resilience Facility (COM(2022) 75 final) published on 1 March 2022, (AM 1)***
- ***having regard to the Commission Communication RepowerEU: joint European***

⁵ OJ C 15, 12.1.2022, p. 184.

⁶ OJ C 67, 8.2.2022, p. 90.

⁷ https://www.europarl.europa.eu/doceo/document/TA-9-2022-0121_EN.html

⁸ Reference to be added after the vote

⁹ OJ L 429, 1.12.2021, p. 83.

¹⁰ OJ L 429, 1.12.2021, p. 79.

Action for more affordable, secure and sustainable energy, (AM 7)

- *having regard to the joint analysis of the European Committee of the Regions and the Council of European Municipalities and Regions (CEMR) of 20 January 2021 on the involvement of municipalities, cities and regions in the preparation of the national Recovery and Resilience Plans, (AM 5) and results of their targeted consultation of 27 April 2022 entitled ‘Implementation of the Recovery and Resilience Facility: the perspective of local and regional authorities’¹¹;*
- *having regard to its resolution of 10 March 2022 on the rule of law and the consequences of the ECJ ruling (2022/2535)¹² (AM 6) and its resolution of 5 May 2022 on ongoing hearings under Article 7(1) TEU regarding Poland and Hungary¹³,*
- *having regard to the Commission’s recovery and resilience scoreboard and its thematic analyses as well as the presentations to the Parliament¹⁴,*
- *having regard to the Commission Notice of 12 February 2021 entitled ‘Technical guidance on the application of ‘do no significant harm’ under the Recovery and Resilience Facility Regulation’ (C(2021)1054),*
- *having regard to its research services’ analyses and briefings on the RRF¹⁵;*
- *having regard to Rule 54 of its Rules of Procedure, as well as Article 1(1)(e) of, and Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports,*
- *having regard to the opinions of the Committee on Employment and Social Affairs, the Committee on the Environment, Public Health and Food Safety, the Committee on Budgetary Control and the Committee on Culture and Education,*
- *having regard to the letters from the Committee on International Trade and the Committee on Constitutional Affairs,*
- *having regard to the report of the Committee on Budgets and the Committee on Economic and Monetary Affairs (A9-0000/2021),*

If the compromise is adopted, the following amendments fall: 1-7, EMPL citations 1-6

CA T on recitals A-P

- A.** *whereas the Recovery and Resilience Facility (RRF) is the main building block of the NextGenerationEU (NGEU) stimulus package; (AM 8 Co-rapporteurs)*
- B.** *whereas EUR 672.5 billion in grants and loans are being made available to finance national measures designed to alleviate the economic and social consequences of the*

¹¹ <https://cor.europa.eu/en/engage/brochures/Documents/RRF-consultation-2022.pdf>

¹² https://www.europarl.europa.eu/doceo/document/TA-9-2022-0074_EN.html

¹³ https://www.europarl.europa.eu/doceo/document/TA-9-2022-0204_EN.html

¹⁴ https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/

¹⁵ <https://www.europarl.europa.eu/thinktank/en/research/advanced-search?textualSearch=RRF&startDate=01%2F07%2F2019&endDate=&firstCameToPage=false>

pandemic; (AM 11 Co-rapporteurs, AM 13) whereas the Parliament initially advocated for a higher share of grants in the RRF; (AM 115)

- C.** *whereas the RRF funding supports key policy areas such as green transition, digital transformation, economic, social and territorial cohesion, institutional resilience and crisis preparedness as well as children and youth, including education and skills; (AM 14 Co-rapporteurs, AM 10)*
- D.** *whereas Russia's invasion of Ukraine on 24 February 2022 has led the European Union to impose unprecedented economic sanctions; whereas the conflict generated by Russia has led a high number of Ukrainian citizens to leave Ukraine and to travel and settle in the EU; whereas the military invasion will generate economic and social consequences on the European continent, in particular on Eastern Europe countries; (AM 9) including as regards an urgent need to decrease energy dependency on imported fossil fuels; (AM 27)*
- E.** *whereas the EU is witnessing an impaired access to certain critical raw materials with possible consequences on the implementation of the RRF; (INTA 4)*
- F.** *whereas the COVID-19 pandemic has had a devastating effect on the economic and social situation of people and businesses in Europe; whereas the EU economy saw a significant contraction during the pandemic; whereas EU businesses, and particularly SMEs, were affected by the pandemic with negative consequences for the growth and competitiveness of the EU as well as on their productivity and capacity to create jobs; whereas the EU Single Market is the main driver for growth in the EU and should be strengthened and protected by the negative effects of the pandemic, while at the same time investments into research and innovation should be promoted; whereas some countries once again saw an above-average rise in unemployment; whereas women, young people, older people, persons with disabilities and large families are more endangered by this development; whereas the EU health sector was pushed to its limits during the pandemic and its resilience has been seriously tested and affected; whereas the youth unemployment rate stands -higher than the general unemployment rates; whereas youth have a higher risk of poverty and social exclusion, as well as a considerable risk for their access to quality jobs; (AM 12, AM 15)*
- G.** *whereas the constant development of digital skills, as well as the development of skills with economic potential, such as green or entrepreneurial skills, is key for a competitive, healthy, inclusive and future-oriented European labour market and should create access and opportunities for every European to quality jobs; whereas the same applies to vocational education, trade skills and life skills; whereas the EU needs to overcome any skills mismatch in order to make effective use of its human capital; whereas access to proper digital infrastructure and training on digital skills should be available to all in order to avoid widening the gap between people on digital literacy and ensure equal opportunities for all in the education system and in the labour market; (AM 18)*
- H.** *whereas, to be eligible for financing, the National Recovery and Resilience Plans (NRRPs) must include the reforms and investment related to the scope based on the six pillars, respect general and specific objectives, horizontal principles and the 11 assessment criteria set out in the RRF Regulation; (AM 17 Co-rapporteurs, AM 16)*

- I. whereas dialogue and transparency between the EU institutions and the Member States is crucial for the successful implementation of the RRF; (AM 20 Co-rapporteurs, AM 19)***
- J. whereas the European Commission, which is responsible for monitoring the implementation of the RRF, must regularly inform Parliament of the status of the assessment of the NRRPs, and how the targets and milestones have been implemented by the Member States, including their contribution to the progress of meeting the green and digital targets; whereas the European Commission is required to take Parliament's views into account; (AM 22 Co-rapporteurs, AM 21, AFCO 2)***
- K. whereas the Member States must set up and maintain robust control systems and conduct necessary audits to ensure the protection of the financial interests of the Union throughout the entire life-cycle of the Facility; (AM 24 Co-rapporteurs, AM 23)***
- L. whereas democratic control and parliamentary scrutiny over the implementation of the RRF is only possible with the full involvement of Parliament and the consideration of all its recommendations in all stages, and whereas the European Parliament will continue to scrutinise the implementation of the RRF; (AM 26 Co-rapporteurs)***
- M. whereas the Commission's Annual Reports on the Rule of Law serve to identify rule of law challenges and help Member States find solutions with support from the Commission and the other Member States;***
- N. whereas the Regulation provides the possibility for a Member State to make a reasoned request to amend its NRRP within the period of implementation, where objective circumstances justify such a course of action; (AM 25)***
- O. whereas democratic control and parliamentary scrutiny over the implementation of the RRF is only possible with the full involvement of Parliament and the consideration of all its recommendations in all stages, and whereas the European Parliament will continue to scrutinise the implementation of the RRF; (AM 26 Co-rapporteurs)***
- P. whereas the Commission will present a review report on the implementation of the RRF to the European Parliament and the Council by 31 July 2022; (AM 28 Co-rapporteurs)***

If the compromise is adopted, the following amendments fall: 8-29, EMPL A-M, CONT A-F