



Questions and answers: European Commission endorses Luxembourg's €93 million recovery and resilience plan

Brussels, 18 June 2021

How did the Commission assess Luxembourg's recovery and resilience plan?

The Regulation ensures a transparent assessment on the basis of 11 criteria against the back of the six pillars of the Regulation. The 11 criteria require an assessment of whether:

- the measures have a lasting impact;
- the measures address the challenges identified in the country specific recommendations or a significant subset of it;
- the milestones and targets which allow for monitoring the progress with the reforms and investments are clear and realistic;
- the plans meet the 37% climate expenditure target and the 20% digital expenditure target;
- the plans respect the do no significant harm principle;
- the plans provide an adequate control and audit mechanism and set out the plausibility of the costing information.

The Commission has summarised its assessment in the proposal for the Council Implementing Decision. The accompanying staff-working document provides detailed documentation on the assessment.

Does Luxembourg's recovery and resilience plan effectively support the green transition?

The Luxembourgish plan's contribution to the green transition amounts to 61% of its total allocation of €93 million. This exceeds the minimum of 37% required by the RRF Regulation.

The plan puts a strong focus on the green transition. A significant part of the investments will be dedicated to projects in that area. The plan includes a measure consisting in deploying renewable energy generation capacity on a specific site, in an innovative way. Luxembourg will put into place a support scheme for electric vehicles charging points. It will also support biodiversity protection and restoration actions through conventions between the government and municipalities.

Specific measures to support Luxembourg's green transition include €30.5 million to enlarge the network of charging points for electric vehicles across the country and €6 million to establish a 'Naturpakt' with municipalities to provide financial support for actions to protect nature and prevent biodiversity loss. The plan directs €24 million to supplying a new housing district with heat and electricity produced from renewable energy sources.

Does Luxembourg's recovery and resilience plan effectively contribute to the digital transition?

The Luxembourgish plan's contribution to the digital transition amounts to 32% of its total allocation of €93 million. This exceeds the minimum of 20% required by the RRF Regulation.

The plan is expected to contribute to the digital transition of Luxembourg with a broad and cross-cutting approach. Digital measures cover research and innovation, deployment of new technologies, digitalisation of the public administration, territorial institutional and social cohesion, which are expected to engage the private sector in the transition. Investments are also planned in digital skills, digital connectivity, and eHealth. It includes measures aimed at improving the digital inclusion of the population and workers, as well as the digitalisation of SMEs.

Specific measures to support securing Luxembourg's digital transition include €10 million to improve the security of public sector communications, as part of a wider European project, and €13 million to

create new digital administrative services for firms and citizens.

Does the recovery and resilience plan represent a balanced response to the economic and social situation of Luxembourg?

The Luxembourgish plan represents a comprehensive and adequately balanced response to the economic and social situation, thereby contributing appropriately to all six pillars referred to in the RRF Regulation.

It addresses social vulnerabilities by including measures to foster training for jobseekers and short-time workers. It promotes social cohesion by strengthening the public sector's capacity to increase the supply of affordable and sustainable housing through a system of incentives for cooperation between the central government and municipalities. The plan also includes measures to strengthen the resilience and efficiency of the healthcare system by addressing the shortage of health professionals and digitalising the health system. The plan also enhances the digitalisation of public services so that for instance, people with reduced mobility can more easily access these services.

Do the reforms presented by Luxembourg effectively address a significant part of the country-specific recommendations issued to Luxembourg in the context of the European Semester?

The Luxembourgish plan is expected to contribute to effectively addressing all or a significant subset of challenges identified in the relevant country-specific recommendations (CSRs).

The plan includes measures to mitigate the employment impact of the crisis, with special consideration for people in a difficult labour market position. It is expected to increase the employment rate for older workers by enhancing their employment opportunities and employability and to foster investment policy on enhancing skills. It includes measures supporting the resilience of the healthcare system, notably by mitigating shortages of health care professionals and improving the governance and digitalisation of the healthcare system.

The plan is expected to boost the supply of affordable and sustainable housing. Reforms and investments are planned to focus investment on sustainable transport, to contribute to the decarbonisation of the economy. There are reforms to protect the environment and biodiversity, which also support the green transition. The plan promotes innovation and digitalisation. It also includes reforms intended to ensure effective supervision and enforcement of the anti-money laundering framework as regards professionals providing trust and company services, and investment services.

For More Information

[Press release: European Commission endorses Luxembourg's €93 million recovery and resilience plan](#)

[Recovery and Resilience Facility: Questions and Answers](#)

[Factsheet on Luxembourg's recovery and resilience plan](#)

[Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Luxembourg](#)

[Annex to the Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Luxembourg](#)

[Staff-working document accompanying the proposal for a Council Implementing Decision](#)

[Recovery and Resilience Facility](#)

[Recovery and Resilience Facility Regulation](#)

QANDA/21/3049

Press contacts:

[Marta WIECZOREK](#) (+32 2 295 81 97)

[Enda MCNAMARA](#) (+32 2 296 49 76)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)