IN-DEPTH ANALYSIS

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ECONOMIC GOVERNANCE

Recovery and Resilience Plans and the involvement of stakeholders

This paper presents the latest findings and developments related to the Recovery and Resilience Facility (RRF), with a particular focus on stakeholder assessments of its structure and initial implementation. It summarises the perspectives of stakeholders at the EU, national, regional, and local levels concerning the National Recovery and Resilience Plans (RRPs). Notably, the paper compiles recent opinions and evaluations from EU stakeholders, as well as relevant institutions and bodies, regarding the execution of these plans.

1. Introduction

The Recovery and Resilience Facility (RRF) has reached its midpoint and acceleration in implementation is on-going. The RRF Regulation and as also confirmed by the European Commissions' Mid-term Evaluation Report transparency in its implementation is an important aspect as the national plans should be managed in an inclusive endeavours that represent the entire society. Therefore, adequate administrative capacity and stakeholder involvement are key factors in maintaining ongoing success (see also previous EGOV analysis from April 2024).

This edition of the stakeholder paper emphasises on the work of the Court of Auditors (at both the European and national levels), which aims to ensure proper auditing and control monitoring alongside the RRF implementation. The auditors have already raised concerns about the effectiveness of the RRF's performance monitoring system. In various reports, significant weaknesses in the system were identified, including its capacity to measure the overall performance of the RRF, despite its success in tracking Member States' progress towards agreed reforms and investments. Also previous warnings by the European Parliament's Budgetary Control Committee and the European Anti-Fraud Office (OLAF) highlight potential flaws in Member States' reporting systems and risks to frauds targeting green and digital projects funded by the RRF.

To strengthen collaboration with stakeholders in monitoring the implementation of the Recovery and Resilience Facility and to support the scrutiny process in the European Parliament, any relevant public information may be send to us: egov@europarl.europa.eu.

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2. Latest findings of the European Court of Auditors (ECA)

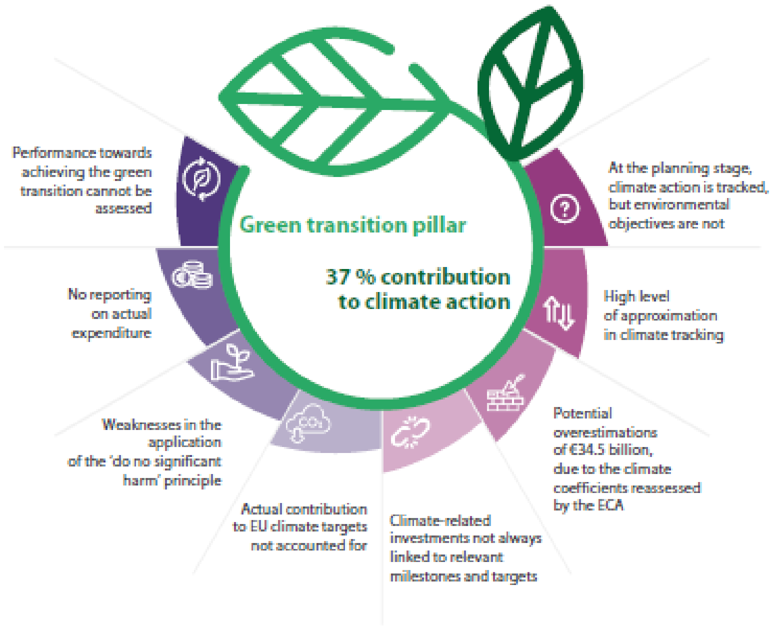
The ECA reports highlight that while the RRF design effectively tracks milestones and targets—key indicators for disbursements—it falls short in capturing the actual performance and impact of funded projects. The ECA argues that the Commission is not applying the same level of control to the RRF as it does to the regular EU budget spending, leading to potential vulnerabilities. However, in terms of assessment, ECA President Tony Murphy emphasised "*Halfway through the lifespan of the EU's recovery fund, one should be careful about drawing conclusions on its achievements, as it is still too early to meaningfully assess its performance*."

A recent ECA RRF special report titled "*Green transition. Unclear contribution from the Recovery and Resilience Facility*" was published on 11 September 2024, revealing inconsistencies in the implementation and limited evidence on how RRF measures are contributing to the green transition. The report indicated **several shortcomings in both the RRF framework and the national recovery and resilience plans across the Member States** examined**.** Specifically, **the tracking of climate expenditure involved a high level of approximation**, and some climate coefficients potentially led to overestimations. Furthermore, the contribution towards the EU's climate objectives and targets is not systematically assessed, as this is not a legislative requirement. In conclusion, the **weaknesses identified in the design and implementation of the RRF raise concerns about the Facility's ability to achieve its climate and environmental objectives**.

The audit provides several **key recommendations for the European Commission** to enhance the effectiveness of RRF implementation and in any similar future funding instruments in supporting the green transition. First, it advises the Commission *"**to improve the estimation of climate spending in future funding instruments**"*. Second, the audit stresses the need to "***ensure that future funding instruments are designed effectively to support climate and environmental objectives***". This involves ensuring that the framework and implementation processes align effectively with the EU's long-term climate goals. Third, the Commission is encouraged to "**enhance the performance of green transition measures**". This would involve increasing the effectiveness and efficiency of the policies and actions designed to support climate resilience and environmental sustainability. Finally, the audit recommends "***improving the reporting mechanisms for climate spending under the RRF***". This would provide greater transparency and ensure that stakeholders can track the actual costs and outcomes related to climate investments, thereby increasing the relevance and accountability of the RRF's contribution to the green transition.

To further clarify its stance, the Commission addressed the ECA's specific recommendations and published a formal reply on the ECA report. The Commission defended the design of the RRF as a performance-based programme tied to achieving specific milestones and targets, ensuring Member States address green and digital transitions. It rejected the ECA concerns about overestimated climate contributions, stating it followed the legally mandated methodology. The Commission emphasised it cannot prejudge future legislative proposals, as this depends on the co-legislators. While it agreed to improve monitoring of climate measures in future instruments, it disagreed with the ECA's claim of inconsistencies in applying the "Do No Significant Harm" (DNSH) principle, noting the allowed simplified approach. It also highlighted limitations in publishing detailed expenditure data due to the RRF Regulation's requirements.

Figure 1: Weaknesses in design and implementation of the Facility towards green transition



Source: ECA special report "Green transition. Unclear contribution from the Recovery and Resilience Facility" published on 11 September 2024.

Another ECA special report on the "Absorption of Funds from the Recovery and Resilience Facility (RRF)" was published in early September 2024, confirming that during the first three years there were **significant delays in the disbursement of funds and the implementation of projects**. The report identified several factors contributing to delays, including external disruptions such as inflation and supply chain shortages, underestimated timelines for implementing measures, ambiguities in certain RRF implementation rules, and administrative capacity challenges within Member States. The Commission's monitoring efforts were found to be lacking in terms of established IT systems to monitor the progress and early identification of delays as well as in terms of requesting detailed information on actions taken to mitigate those delays.

Looking ahead, the report flagged risks in the second half of the RRF's implementation, particularly with the significant number of remaining milestones and targets, and the shift from reforms to investments, which could further exacerbate delays. The ECA observed that the disbursement of the RRF funds to Member States did not always align with the significance of milestones and targets achieved. Additionally, there are concerns that the **absence of provisions to recover funds related to completed milestones and targets**, if broader measures remain incomplete, may pose financial risks. The report highlighted that the **inconsistent interpretation of "final recipient"** poses a challenge to accurately tracking the flow of RRF funds. National authorities acknowledged that the current definition leaves room for interpretation, resulting in varying practices among Member States. RRF funds are considered absorbed once disbursed to Member States, but this does not necessarily mean the funds have been allocated to the intended end beneficiaries within the economy. For example, in some cases, financial institutions or public entities such as ministries or cities were listed as final recipients, while in other instances, private businesses or educational institutions were listed.

The ECA report also mentioned the difficulty for Member States how to apply specific rules for implementing the RRF such as the applied implementation of the "Do No Significant Harm" (DNSH) principle, which is a key funding condition. While the European Commission issued technical guidance on the application of the DNSH principle in a timely manner, national authorities expressed concerns during the ECA's audit visits about its complexity. Despite support from the Commission, Member States found the principle challenging to implement effectively.

Based on these findings, the ECA audit report recommended the European Commission to: "*(1) ensure a consistent application of the definition of "final recipient," (2) provide additional guidance and support to member states, (3) monitor and address risks related to the non-completion of measures and associated financial consequences, and (4) improve the design of future funding instruments to enhance fund absorption.*"

In addition, the European Commission recently issued detailed replies to the ECA report, presenting counterarguments to the findings. The Commission emphasised that it has "*made significant efforts to provide clear and comprehensive guidance documents to Member States in a timely manner and continues to clarify aspects of implementation whenever necessary. Given the novel design of the instrument, the Commission published general guidance documents on the preparation as well as the modification of RRPs.*"

The ECA's previous work on the RRF's monitoring system heavily relied on milestones and targets to gauge the progress of Member States. These include actions like adopting laws, selecting projects, or signing contracts. However, the ECA noted that these indicators are more reflective of implementation steps rather than the outcomes or impact of the investments. The ECA pointed out that the 14 predefined common indicators used to monitor the success of the RRF's objectives do not adequately measure the results of funded projects. Many of these indicators focus on outputs (e.g., number of people trained or square meters renovated) rather than outcomes (e.g., employment rates, energy savings, or CO2 reduction). ECA reports also raised concerns about the reliability of data reported by Member States, particularly in relation to who ultimately receives the funding. While the Commission and Member States have established adequate systems for ensuring data quality, the ECA identifies risks to data reliability that could affect the accuracy of reported progress. To address these issues, the ECA recommends that the European Commission enhance its reporting on the RRF by collecting and reporting data on actual expenditure and developing a comprehensive performance monitoring system for future non-cost-based funding instruments (see the full list of ECA reports in annex 2).

Box 1: Reports by the supreme audit institutions of the EU Member States on the RRF

In line with the gradual implementation of the RRF, the national (supreme) audit institutions of the EU Member States have increased their related activities and audit work.

Since early 2021, national audit institutions have published publicly available audit reports (as full-fledged report or in abbreviated form), displaying the main conclusions and recommendations on the RRF implementation; three of those were published in 2021, twelve in 2022, twelve in 2023 and three in 2024. The ECA has until now released two reports in 2022, six in 2023 and two in 2024.

The focus of the audits has over time shifted from conceptual considerations (e.g. the initial selection and transparency of projects included in the Recovery and Resilience Plans, the choice of targets and objectives, the design of the underlying monitoring and control system etc.) to the actual implementation, i.e. the achievement of milestones and targets.

Recent country-specific reports highlight overall successful implementation of the RRF, but also underline existing administrative issues. The audit of the Flemish RRP in May 2024 pointed out still present need of improvement in planning stage, as the report concluded that "*the PR 2023 reflects fairly well the state of affairs of the projects examined, but that further quality improvement must build on a better definition of milestones and output indicators, a clearer statement of target values and achievements, and a clear determination of how Flanders will fulfil its agreements with Europe*". The same month, the Italian Court of Auditors presented a large analysis on the current state of implementation of the RRP, focusing on the revised RRP, activities of individual central administrations responsible for interventions, and two in-depth topics on reforms and investments - in bridging gender gaps and in ecological transition with the analysis of REPowerEU chapter. While the report overall notes successful implementation of the revised plan, some issues are more present. For example, the analysis of financial flows indicates that the transfers from the treasury accounts are lower than the RRF funds available, and even with transfers made the implementing bodies often had to resort to their own resources due to the administrative problems.

For a list of all available reports form the national audit institutions and ECA see the Annex 1 and 2.

3. Views expressed by other European institutions and bodies

The European Economic and Social Committee (EESC)

European Economic and Social Committee

In April 2024, the EESC presented reflections and formulated recommendations from European organized civil society regarding the reform and investment proposals, as well as their implementation in the Member States. An EESC opinion calls on "*the European Commission and co-legislators to define new financial instruments needed at EU level to support the financing of strategic common goods, namely the newly announced EU sovereign funds, new own resources, own fiscal (financial) capacity, the next Multiannual Financial Framework, etc., and that in this context, a reinforced role of the EIB in leveraging private investments and improving private-public partnership will be also crucial.*"

On September 2023, the EESC adopted an impact assessment on the Mid-term evaluation of the Recovery and Resilience Facility. The report gathers input from social partners and civil society organizations in Germany, Italy, Latvia, Portugal, and Romania, assessing the involvement and impact of organized civil society (OCS) in implementing the RRF. It combines on-site fact-finding missions and stakeholder responses to an online questionnaire. Stakeholder feedback from selected EU countries suggests key recommendations to improve the RRF. Clearer guidelines, stronger collaboration, and heightened ambition are needed to enhance reform implementation. The RRF should prioritise the green and digital transitions, promoting sustainable growth and technological innovation. Improved communication is urged to expand understanding of its broader impacts. Streamlining project implementation and enhancing coordination with other EU investment instruments are also advised. Flexibility should be increased, with stronger post-implementation controls to prevent fund misuse. Concerns about the RRF's temporary nature should be addressed by advocating for continued EU investment programmes. Simplified procedures and support for SMEs in environmental projects are also recommended. Finally, establishing effective monitoring mechanisms and centralising information through national plan websites will improve transparency and decision-making.

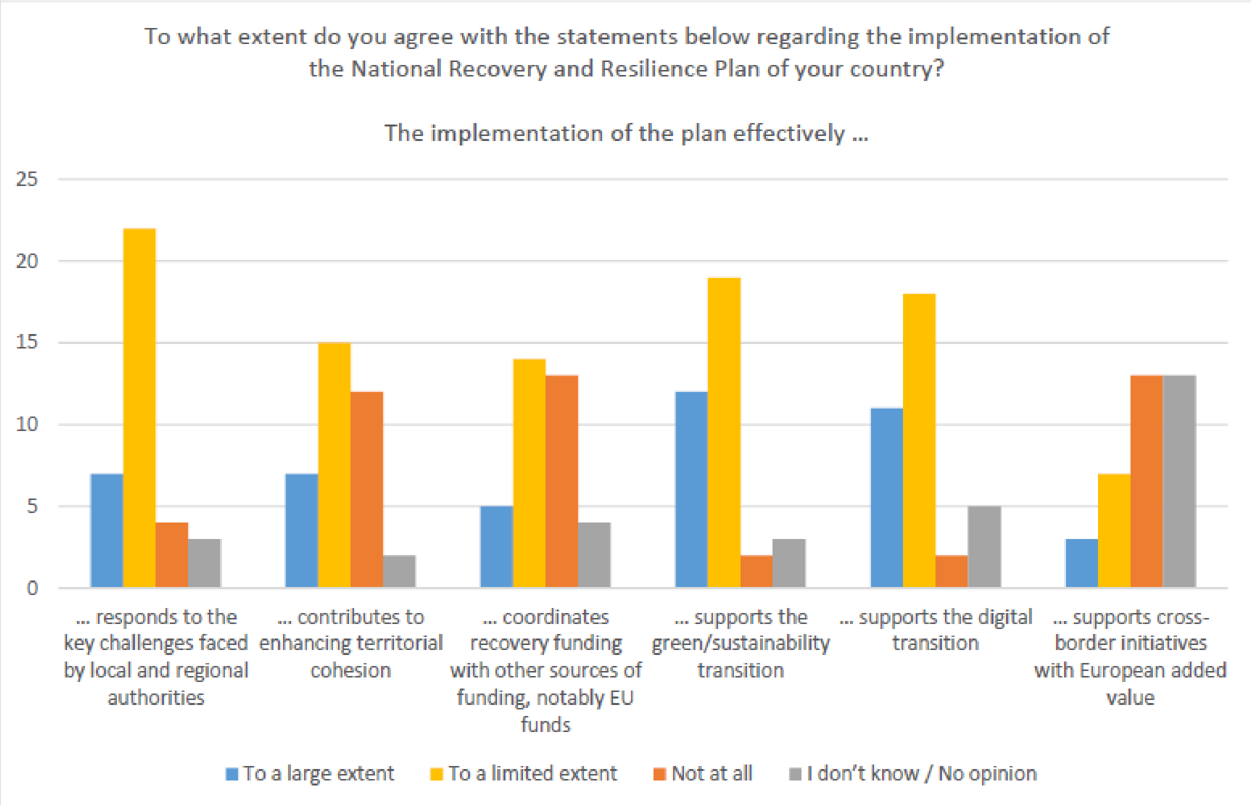
The Committee of the Regions (CoR)

European Committee of the Regions

On 4 July 2024, the European Committee of the Regions debated a draft opinion (scheduled for adoption during the October CoR plenary session) on the mid-term evaluation of the RRF. The exchange of views raised concerns among regional and local authorities about the Facility's effectiveness in promoting cohesion across Europe. Local and regional leaders expressed worries about its centralized management, which excludes their direct involvement. They argue that this approach contradicts the goal of European cohesion and could exacerbate regional disparities. The draft opinion, which was adopted unanimously by the Commission for Economic Policy (ECON) on 4 July, suggests postponing the RRF's deadline beyond 2026, as only 37% of the funds have been utilized so far.

Earlier this year, on 12 April 2024, the CoR published jointly with Council of European Municipalities and Regions (CEMR) a new **report following a consultation on RRF at the local and regional level**. This consultation primarily engaged associations representing local and regional authorities (LRAs) throughout the EU. 36 organisations participated, representing various subnational government levels across 22 EU Member States, reflecting diverse sizes, incomes, geographies, and administrative cultures. These Member States represent a broad spectrum of constitutional and territorial organisations, from unitary to federal states. The consultation highlights several key findings. It confirms that Member States manage the RRF in a highly centralised manner, with minimal involvement of LRAs in the planning and implementation of RRPs. While the green and digital transitions are effectively supported, territorial cohesion is seen as inadequately addressed, with one-third of respondents stating the RRPs do not contribute to this objective. Barriers to LRA involvement, particularly due to inadequate national frameworks and a lack of capacity or expertise, were frequently cited. Risks of overlap with European Structural and Investment Funds were also a concern. Although the overall impact of RRF projects is viewed positively, opinions on its flexibility, synergies, and additionality are mixed. The allocation of funds is widely perceived as unfair, and the sense of ownership at the local level remains low. The findings, depicted in **Figure 1** below, echo those of the preceding consultation, highlighting a consistent trend where the green and digital transitions emerge as the primary objectives that respondents believe benefit most from RRP support. However, the results reveal a more nuanced picture regarding other objectives and expectations. Respondents' views on RRPs addressing LRAs' key challenges remain largely unchanged from CoR’s previous consultation, with a majority indicating "to a limited extent" and fewer selecting "to a large extent" or "not at all.

Figure 2: Opinions on the implementation objectives and goals of the RRF in EU Member States



Source: CoR/CEMR report, April 2024.

European Ombudsman

The European Ombudsman has initiated a **strategic initiative aimed at examining the transparency of national recovery and resilience plans, public information and communication strategies on the RRF, and the oversight of funds**. This initiative, distinct from formal inquiries into maladministration, ran alongside specific complaint-based investigations regarding public access to RRF documents and good governance principles for transparency in fund utilisation developed with the OECD. These efforts aim to bolster transparency and good governance in a critical area.

On 14 August 2024, the Ombudsman opened the case on the European Commission failure to reply within the statutory time limits (CASE 1442/2024/TM) to a request for public access to documents concerning the Italian Plan under the RRF.

In its Annual Report for 2023, the Ombudsman stated that among the topics of strategic initiatives there were no ongoing requests for clarification regarding the transparency and accountability of the RRF. However, in the communication from the Ombudsman to the President of the European Commission on 19 March 2024 regarding the public access to documents, among other examples mentioned, she stressed again the case of public access to documents on the Swedish and Danish RRPs and the refusal of the Commission to follow the suggestions of Ombudsman. She asserted that the Office will continue to monitor closely the Commission's application of the exception concerning the protection of commercial interests.

The Ombudsman communication published on the 12 September 2023 took stock and made recommendations for further actions. Acknowledging progress like the RRF website, Recovery and Resilience Scoreboard, and Member States' **obligation to create public portals** for top funding recipients, the Ombudsman suggested further enhancements. These include urging the Commission to ensure all Member States establish their portals, advocating for proactive transparency throughout plan negotiations, publishing machine translations of national plans for pan-European scrutiny, and monitoring timely public access to RRF-related documents.

Furthermore, **addressing discrepancies in reporting RRF expenditure**, the Ombudsman stressed the need for improved monitoring capabilities and protective measures for EU financial interests. Concerns persist regarding the Commission's lack of detailed information on supervision, audits, recovery procedures, and accountability measures, as highlighted by the European Court of Auditors.

Anti-Fraud Activities

On 4 July 2024, the Italian Financial Police, at the request of the European Prosecutor Office (EPPO) in Naples, froze €1.3 million in assets from four companies and their legal representatives, who are suspected of fraud, embezzlement, and money laundering. The case involves a Naples-based consultancy that secured EU funds for two projects in 2022: a €300,000 loan for e-commerce development for SMEs, of which €150,000 was disbursed, and a €1.3 million grant for SMEs, nearly all of which was financed by the RRF.

On 18 June 2024, an investigation by the EPPO in Bologna, code-named 'Stop the Carousel,' resulted in the arrest of three suspected leaders of a criminal organization that fraudulently obtained funds from the RRF. The suspects allegedly created or took over inactive companies, which had no physical offices and had not filed tax returns for years. With the help of an accountant, they fabricated financial statements to falsely show millions in revenue, which they then used to apply for RRF funds through SIMEST, Italy's financial institution responsible for managing these funds. The fraudulent applications claimed the funds were for internationalization, e-commerce development, and market expansion.

Previously in April 2024, the EPPO conducted another investigation targeting an alleged criminal organisation accused of defrauding €600 million from the RRF funds for Italy. The EPPO announced that in the context of a large-scale investigation under its supervision, 22 individuals were arrested in Italy, Austria, Romania, and Slovakia on 4 April 2024. According to the investigation, this criminal association is believed to have orchestrated a fraud scheme between 2021 and 2023 to obtain funds from the Italian RRP by applying for grants to support digitalisation and innovation for small and medium-sized companies as well as allegedly using false corporate balance sheets for inactive companies to appear profitable.

The EPPO in Graz, Austria, filed its first indictment in an Austrian court on 13 June 2024, charging a suspect with subsidy fraud related to a €200,000 project funded by the EU's. The suspect, a small business owner from Vienna, allegedly submitted 1,041 false reimbursement requests under Austria's "Reparaturbonus" programme, receiving €161,669 before payments were halted. The investigation revealed that the company was a front, with no actual repairs conducted and falsified customer data. If convicted, the suspect faces up to five years in prison.

In its recent Annual Report, EPPO listed 206 open active investigations in 2023 into NextGenerationEU funding projects, amounting to over €1.8 billion in estimated damages. This accounts for about 15% of expenditure fraud cases involving EU funds handled by the EPPO during the period, but representing nearly 25% in terms of estimated damage.

Earlier, by the initiative of Europol, the EPPO, Eurojust, the European Anti-Fraud Office (OLAF) and 19 EU Member States, Operation Sentinel was launched in autumn 2021 to target fraud against COVID-19 EU recovery funds. The network will focus on proactive intelligence sharing, information exchange and on supporting the coordination of operations.

Eurofound (European Foundation for the Improvement of Living and Working Conditions)

Eurofound is a tripartite autonomous EU agency providing knowledge to assist in the development of better social, employment and work-related policies. In the report published on 26 February 2024, Eurofound analyses the involvement of social partners in the implementation of the RRF in 2023. The RRF Regulation requires them to be consulted and it was additionally encouraged by the Commission and Council recommendation in 2023. The results indicate that national social partners are unevenly engaged in the RRPs, which should be corrected in the second phase of the RRF implementation. Some Member States, especially in eastern and southern Europe created dedicated working groups involving social partners, while others did not have institutional settings for social dialogue and set up ad hoc consultation processes. Social partners pointed out that consultations were hindered by the lack of information from the authorities and insufficient time for the exchanges. Overall, employer organisations found to be more satisfied with their involvement in reforms than trade unions which might be due to the nature of reforms and investments.

Network of EU Independent Fiscal Institutions[1]

In its February 2023 European Fiscal Monitor, the Network of EU Independent Financial Institutions[2] noted that IFIs are concerned that heavily frontloaded RRPs might add up to the inflationary pressures countries are currently facing despite the general appropriateness of the fiscal stance component associated with the NGEU. Those IFIs which evaluate the macro impact of implementing their country's RRPs[3] find that the plans are performing well. Although, they are concerned that the speed of implementation is rather slow and tracking metrics need to be improved both from the national and Commission sides.

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1 Recital 59 of the RRF Regulation states that the Member States should be encouraged to seek the opinion of national productivity boards and independent fiscal institutions on their RRPs, including possible validation of their elements. In its January 2021 guidance, the Commission called also on the Member States to involve national advisory bodies, such as national fiscal boards and national productivity boards, in the decision process leading to the adoption/submission of the RRPs.

2 The Network provides to national independent fiscal institutions a platform to exchange views, expertise and pool resources in areas of common concern. It was formally established on the 11th of September 2015 and currently includes the independent fiscal institutions from Austria, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Spain, Sweden and the United Kingdom. The Network supports the efforts to review and reinforce the EU fiscal framework, seeking to better exploit the synergies between rules and institutions, as well as between different levels of administration whilst respecting the principle of subsidiarity and enhancing local ownership and accountability. Secretariat is provided by CEPS.

3 CY, ES, EL HFC, IT, SK.

In its 2022 Annual Report, the European Fiscal Board (EFB) included an assessment of the role of Independent Fiscal Institutions in the assessments of RRPs, based on a survey. It stressed that "*none of them were formally mandated to undertake an independent scrutiny of the government's cost estimates*". Less than a fifth of the 26 surveyed IFIs were officially involved in the preparation. Namely, "*the Estonian Fiscal Council, the Greek Hellenic Fiscal Council, and the Latvian Fiscal Discipline Council were asked to provide plausibility assessments on the macroeconomic impacts of planned reforms and investments as estimated by the government. The Slovenian Institute of Macroeconomic Analysis and Development was tasked to provide simulations on the effects of the planned investment projects, as part of the national RRP. (...) [T]he Belgian Federal Planning Bureau (...) was charged to provide an assessment on both the macroeconomic and fiscal impacts of the draft programme (...) [and] was tasked to oversee the verification of the application of the 'Do No Significant Harm' principle.*" Even without an official involvement, a third of the IFIs responded that they aim to publish their own RRF-related analysis.

Box 2: Examples for analyses or responses to the RRF from national IFIs

Italy

As part of the survey on the Stability and Convergence Programme conducted by the Network of EU Independent Fiscal Institutions in July 2024, the Italian Parliamentary Budget Office expressed concerns about the public finance scenario as there is a growing uncertainty related to the implementation of RRP by the end of 2026. They also noted that there is a lack of information related to the RRP, which is a fundamental area for public finance and the macroeconomic scenario.

On 14 March 2024, the Italian Parliamentary Budget Office convened a hearing at the Chamber of Deputies' Budget, Treasury, and Planning Committee to discuss urgent provisions outlined in Decree-Law 19/2024 for implementing the RRP. President Lilia Cavallari presented the analyses, focusing on adjusting public accounts to EU-approved RRP amendments, restructuring expenditure from the National Plan for Complementary Investments, and expediting RRP objectives. The PBO highlighted the need for clarity regarding annual profiles and composition of RRP and CNP measures in future economic documents. Furthermore, it called for additional information on resource allocation and de-funding under the RRP, expected in a future ministerial decree. Lastly, the PBO's analysis detailed the fate of new and existing projects removed from the RRP, identifying those to be cancelled, refinanced, or borne by the state budget.

Greece

As part of the survey on the Stability and Convergence Programme conducted by the Network of EU Independent Fiscal Institutions in July 2024, the Hellenic Fiscal Council highlighted that the RRF is a significant contributor to the expected GDP growth for 2024 and 2025, together with the rise in gross fixed capital formation.

Spain

In May 2023, within its Report on the Stability Programme Update 2023-2026, The Independent Authority for Fiscal Responsibility (AiReF) in Spain stressed that the rollout of the RRP and fiscal measures implemented contribute to the dynamic and strengthened economic activity in the early months of 2023. They highlighted that RRP has a chance to new long-term growth levers which will be necessary to evaluate in the future governance framework. Finally, they reiterated their recommendations to the Ministry of Finance and Civil Service to publish information on the implementation of the RRP in national accounting terms to identify which funds are reaching the final recipient and to analyse the evolution of the revenue and expenditure that are not related to the RRP.

Belgium

Federal Planning Bureau of Belgium published a report in April 2021, where is analyses the impact of the RRP looking at different time horizons. It estimates that in 2040, GDP will still be 0.1% higher than what it would have been without RRF grants. In 2030, GDP is expected to be 0.22% above its normal growth path. Regarding the labour market, the estimates yield a creation of around 2,000 jobs due to RRF grants by 2030.

National Productivity Boards

National Productivity Boards[4] of some Member States include analyses or comments on the RRPs in their reports. In the 2023 Annual Report, Belgian National Productivity Board mentioned that the RRP is in the process of implementing, although with a risk of delay since as of June 2023, 13 % of projects had been 'postponed'. The NPB stressed the importance of effective governance and use of the RRF funds for the green and digital transition to ensure a better implementation of the RRP.

Greece evaluated the efficacy of the initial RRP budget in the 2023 Annual Report published in November 2023. It was identified that the budget is projected to catalyse a substantial boost in economic output and employment while simultaneously increasing imports and CO2 emissions.

Irish National Competitiveness and Productivity Council stresses in their Report on Competitiveness Challenge 2023 (September 2023) the importance of RRPs dedicated to accelerating and expanding the country's digital transition: *[...] enterprises in Ireland take advantage of some digital technologies, such as social media, big data and cloud, however, others are less widespread (e.g. AI). In addition, Ireland scores below the EU average for the percentage of enterprises involved in electronic information sharing and the use of e-invoices.*

Latvia's National Productivity Board highlights the importance of RRF in strengthening the competitiveness of the economy in their report from June 2023: *"Given the geopolitical uncertainty, LV PEAK experts believe that it is necessary to carry out a radical assessment of budget expenditures and effectively invest the resources of the Recovery and Resilience Facility to strengthen the competitiveness of the economy."*

The follow-up of the progress report on the implementation of National Productivity Boards, published in July 2021 by the Commission, outlined the missed opportunity for most Member States to involve National Productivity Boards in their RRPs: *"In the current context, Member States could have sought the expert opinion of Boards to a higher degree on the reforms and investments included in the Recovery and Resilience Plans. While there is no requirement for governments to consult them, the Commission's Guidance to Member States on the Recovery and Resilience Plans calls on Member States to seek the advice of their Productivity Boards on the plans. However, only a minority of governments have consulted the Productivity Boards on their draft Recovery and Resilience Plans. Looking ahead, National Productivity Boards could assess the effect of productivity-related reforms adopted in the framework of the Recovery and Resilience Plans."*

4. Overview of public portals relating to RRF assessments

This section provides a list of various EU and national organisations that are monitoring the RRF, notably RRPs implementation, either from a country-specific or a policy-specific perspective.

CEE Bankwatch Network RRF monitoring

CEE Bankwatch Network is a network of grassroots, environmental and human rights groups in central and Eastern Europe, the Caucasus and Russia. It covers assessments of national RRPs with the aim to monitor the sustainable responsibility of public finance institutions. The report published in July 2024 analyses the application of the 'do no significant harm' (DNSH) principle across different EU funds and Member States. Since the DNSH principle was first introduced with the RRF and is particularly monitored in its implementation, a special part of the report focuses on the case studies of the RRF in six Member States comparing the assessment reviewed by the Commission and actual

[4] According to the Commission, national Productivity Boards are now established in 18 Member States. Six new Boards have been established since the publication of the first progress report in 2019 (Germany, Greece, Malta, Latvia, Slovakia, and Croatia). In 2020, one country, Romania, wound down its Productivity Board. All but four euro-area countries (Austria, Estonia, Italy and Spain) have established a Productivity Board. For an introduction, see also this EGOV paper.

application of the DNSH principle. The findings indicate vague control over the application of the DNSH criteria or complete absence of such evaluation (Czech Republic), failure to address indirect impacts of the RRF project on biodiversity (Estonia), not public DNSH assessment of the RRP measures and no clarity on who performed it (Hungary), lack of independence in assessing the principle and failure to capture damaging aspects of the drainage practices (Latvia).

In May 2024, the Bankwatch Network together with E3G prepared the report on energy transition in Central and Eastern Europe (CEE), emphasising that the RRF helped to make some CEE countries commit to phasing out coal through funds for renewable energy and energy efficiency improvements. In addition to sole commitment, climate conditionality in the RRPs helped to implement reforms in energy transition, especially in Bulgaria, Estonia and Slovakia. Based on their analysis of the RRPs, market trends and energy strategies, the authors advocate for continuation of funding EU energy policy after the RRF ends in late 2026.

In the March 2024 report focusing on the challenges in Green Deal implementation, the Bankwatch Network stresses that current EU investment strategies prioritize technological innovation over structural transformation and fail to adequately address environmental concerns. Implementation delays, particularly in Central and Eastern Europe, hinder the progress of green measures under the RRF (only 2% of green measures implemented in Bulgaria). Recommendations include reforming the RRF to increase green ambition, prioritize essential services and social investments.

Bruegel

In July 2024, Bruegel published an analysis of fulfilling European Union policy recommendations focusing on the implementation of country-specific recommendations (CSRs) since 2011 and the link to the national recovery plans. The authors point out that while the implementation rate of the 2019-2020 CSRs slightly increased, overal the RRF financing have not resulted in a substantial increase in implementation rates. According to the Commisssion's assessment, all RRPs contributed to the adressing significant subset of the CSRs, however, the authors emphasise that the incorporation of the CSRs in the RRPs might be lower in reality.

Additionally, as part of the publicaitons on the energy and green transition released in July 2024 and June 2024, the authors mention that the RRF has been instrumental in closing the investment gap to meet Energy Performance Building Directive targets and funding clean-air policies, contributing €25 billion annually for 2021-2027. However, as noted in these publications, the overall impact of the RRF on energy renovations remains uncertain, and continued EU financial support for promoting clean air beyond 2026 is crucial for sustained economic growth.

In April 2024, Bruegel organized an event meant to gather experts from the academic field, Commission and European Investment Bank to discuss the performance of the RRF at its halfway point. One of the main conclusions derived from this discussion and the experience obtained from the RRF implementation, is the need to define European public goods and more cross-border investments for the future financial instrument.

In February 2023, Bruegel published a dataset[5] comparing countries' RRF spending according to the six pillars defined in the RRF Regulation, showing that countries receiving less RRF funding as a share of GDP focus more on green and digital investments with low shares for other types of spending. The analysis also suggested that RRF may help poorer countries converge economically but showed no link to expected GNI growth from 2019 to 2021.

5 The dataset has not been updated since publishing in February 2023.

Earlier opinions published by Bruegel include analysis of the possible results expected from the facility (April 2023), critique on the RRF's deficiency with the performance-based funding standards (April 2023), comments on the RRPs assessments by the Commission (February 2022), role of the RRF in a new fiscal framework (January 2022).

European Trade Union Confederation

On 1 May 2024, ETUC published a series of reports on youth employment trends and policies after COVID-19 pandemic. In the case studies of Italy, Poland, Romania, Slovenia and Spain, they examined Youth Guarantee Policies in the country RRPs, providing an overview of the procedures the plans foresee for the youth employment and highlighting areas for further attention. In Italy, funding for youth in the RRP has been reduced by around 40%, raising concerns. Poland and Romania lack specific quality youth employment measures in the RRPs, while Slovenia and Spain address youth employment through targeted measures, such as incentives for hiring young staff on a permanent basis, reforms to reduce temporary work and investments in upskilling and reskilling.

ETUC has established a monitoring platform covering trade union involvement in the drafting and implementation of RRPs. During the event organized by the European Commission and the Belgian Presidency of the Council of the European Union on 9 April 2024, Esther Lynch - General Secretary of the ETUC, mentioned that there should be more social investment to fulfil the milestones and targets set in the RRF. She stressed that in order to provide more jobs, there is a need for more housing for workers it the area where industry is located, as well as a better access to the transport services.

Additionally, the publication from 7 April 2024 made jointly by the ETUC and New Economic Foundation examines the effect of EU fiscal rules on the investments and stresses that even if the RRF were to continue after 2026, only five countries could meet green and social investment gaps (Denmark, Sweden, Ireland, Croatia, and Lithuania). They argue that there is a need for a more flexible fiscal rules, new progressive taxation and a long-term EU investment fund similar to the NextGenerationEU instrument to meet green and social gap estimates. In the press release from 15 May 2024, ETUC reiterated the opinion on the permanent instrument to replace the RRF.

Foundation Robert Schuman

In July 2024, Foundation Robert Schuman published an interactive map with the information on all country plans, showing the amounts, schedules and priorities. A one-page summary of each RRP provides the main information on the dates of the adoption and modifications of the plan, initial and modified amounts broken down into grants, loans and special record for the REPowerEU and Brexit adjustment funds. It also tracks the payment schedules with an up-to-date information on payment requests and respective number of milestones and targets. In addition, the summary provides a timeline of main economic indicators of the country, such as the GDP growth, unemployment, public debt and expected impacts of the RRPs based on the Commission's simulations.

Centre for European Policy Studies (CEPS)

In April 2024, a first part of the study requested by the European Parliament was published in order to assess performance framework of the EU budget with its benefits and drawbacks on the examples of the RRF and cohesion policy. While the authors point out overall stark differences in performance budgeting between these two instruments, the most notable contrasts in the RRF include concerns about insufficient tracking of progress and evaluation frequency, narrower role of the European Parliament, administrative burdens related to reporting and auditing. They acknowledge that despite the previous MFF had some elements of the performance budgeting, the RRF redefined the approach by creating a stronger link between the disbursements and fulfilment of milestone and targets. This, in turn, could stimulate further use of such approach in the future EU budgets incentivising a better design of programmes and their implementation as well as stronger leverage to national administrations.

The Recovery and Resilience Facility Monitor used to monitor the initial process of approval and implementation of the RRF[6]. The key focus of the project was on the economic and fiscal implications and stability of the RRF. The CEPS RRF monitor website includes a set of publications and data resources regarding national RRPs, such as:

RRF Data Monitor that presents an overview of the key aspects of the RRF, such as, the grants and loans requested per country in EUR billions, overview of sectors financed under the RRF pillars; the amounts of disbursements by country in EUR; debt monitor presenting an overview on bonds size, maturity and rates;

A page where all the national RRPs can be accessed together with the Commission's assessments, as well as with specific individual assessments of the reforms proposed in the national RRPs of Italy, Germany, Spain, France, Portugal, Slovakia, Austria and Belgium;

A collection of current publications, including a study for the European Parliament assessing the RRF's role in strengthening labour market policies within the social and territorial cohesion Pillar in Italy, Spain and Croatia; an explainer publication that highlights the limits of the M&Ts reflecting on the performance-based approach.

Centre for Economic Policy Research (CEPR)

CEPR

In May 2024, CEPR published a policy insight discussing whether Italy's RRF plan has brought reforms or is it rather a waste of resources. The authors begin with acknowledging that while the RRF investments can raise the output growth, they are not able to solve the global issue with the Europe's growth, for this each country need to implement reforms. Despite controversy around the RRF funds in the media, especially for Italy, the authors argue that effective implementation of the reforms in Italian example is crucial for repeating the use of the EU common debt - such as EU Defence, the Green Transition of the reconstruction of Ukraine. The paper points out that the RRF generally played an important role for kick-starting long-delayed reforms, which in case of Italy, materialised in judiciary, public procurement, and the water and energy sectors. Within those areas, the paper noted reduction in the disposition times of civil and criminal justice, improved qualification system for public works, smaller number of water services operators, competitive redistribution of the market shares of electricity operators. However, additional political support is required to complete the process and avoid the reversal in the future.

In January 2024, an article discussing the importance of investment for the growth in the euro area was published. The authors argue that more investment are needed to strengthen competitiveness and durable growth. In addition to the discussion on the innovation, deeper Capital Markets Union and Single Market, they emphasise that public investment was significantly boosted by the EU funds, the RRF in particular. Recovery in public investment is notable in deployment of green technologies, digital infrastructures, and green and digital skills development. Moreover, the RRF is also expected to crowd in further private investment.

[6] The Data Monitor has not been updated since December 2022.

Friedrich-Ebert-Stiftung

The Friedrich Ebert Foundation is a German non-profit political foundation united with social democracy and the trade union movement. A paper on the EU Future Fund published in July 2024, discusses the possible design and duration of the new financing instrument for the EU as well as lessons learned from the RRF in establishing it. They argue that the new EU funding instrument is required to close investment gaps, ensure competitiveness of the Single Market and counter right-wing populism. The paper puts forwards an opinion that it is especially critical due to the coming expiration of the RRF funding which is currently making an important contribution to finance transformation. While the paper recognises that the performance-based approach is a key aspects ensuring successful earmarking of EU funds, the main issues to be addressed in future EU investment policy include more democratic political process for defining reforms in the country plans, less bureaucratic burden, technical assistance available for the administration of the programme, and a more transparent documentation of the outflow of funds. The paper further proposes that EU Future Fund should link public funds to the social criteria such as collective bargaining agreement, based on the example of climate protection agreements providing social conditionalities in the RRF example.

ZOE Institute for Future-fit Economies

ZOE Institute, in partnership with the New Economics Foundation, developed the Recovery Index for Transformative Change (RITC) to assess whether Member States' RRPs will contribute to the transformation of society. In February 2024, ZOE Institute published the report Building back better? Economic resilience in the era of the Recovery which assesses the development of economic resilience in the context of the RRF, focussing on the period 2019 to 2022. ZOE's report shows that the economic resilience of the EU was stable in the last years – despite a myriad of economic shocks.

Based on a holistic theoretical framework, ZOE Institute also developed the Economic Resilience Index (ERI), a composite indicator to assess holistic economic resilience. Resilience is assessed in three capacities – absorption, recovery, and adaptation – using a total of 27 different indicators. ZOE published an article on applying economic resilience to fiscal policy in February 2023. The article emphasises the need to incorporate economic resilience into fiscal space calculations within the EU, with a specific focus on the Recovery and Resilience Facility (RRF).

Follow the Money

Follow the Money is a joint media platform for investigative journalism that has launched a pan-European research project[7] entitled *Recovery Files*, which focuses on investigating the RRF funds, together with several journalists across Europe[8]. In the project's first article (3 November 2021), the authors have shared their concern about the limited involvement of national parliaments in the elaboration of national RRPs, particularly taking into consideration the sizable amounts mobilised by the RRF (EUR 723.8 billion).

In their most recent article published on 7 March 2024, the journalists investigate the issue of final recipients of the RRF fund and decision of the Commission to define top 100 recipients as "the last entity receiving funds that is not a contractor or sub-contractor". In the interviews with the media, MEPs were of an opinion that

[7] Supported by IJ4EU, fund for cross-border investigative journalism in Europe.

[8] Meet the team of journalists here.

controlling largest final beneficiaries is crucial for preventing fraud or conflict of interest when using the EU funds and for preventing accountability gap at the EU level. The new rules will require EU countries to disclose fund recipients, but only for programs after 2027, excluding the RRF. While MEPs could propose changing this, it might disrupt negotiations and is unlikely due to the upcoming EU elections.

In the article from 13 October 2023, the journalist follow up on the article from October 2022 related to the involvement of the consultancies in drafting and implementation of the RRPs. Consultancy firms, including global giants like Deloitte and Accenture, have earned over 300 million euros from the RRF. These firms offer expertise to navigate the complex processes of securing funds from programs, however concerns about potential conflicts of interest arise, as some firms hired by governments also work for companies seeking funds from the same program. The issue is also closely linked to the 'final recipients' problem due to the narrow definition and potential omission of even more consultancies receiving RRF funds. For instance, even with current rules, two consultancies - McKinsey daughter Orphoz and Accenture, were included in the top 20 of the published German top 100.

BusinessEurope Reform Barometer 2024

BusinessEurope published the latest Reform Barometer on 20 March 2024. The report focuses on global competitiveness performance of Europe analysing the business environment, financing opportunities and innovation. The second chapter specifically considers competitiveness challenge related to the implementation of the RRPs and CSRs of the European Semester. Particularly, the report highlights that regulatory environment is perceived as the greatest challenge to the investment environment together with the energy prices and tax regimes. The share of Member Federations dissatisfied with the implementation of the RRPs increased from 29% to 42%, particularly related to the involvement of the social partners. Additionally, the report includes policy recommendations focusing on the importance of the reforms defined in the RRPs, Green Deal becoming a growth strategy, improved regulatory framework and digital infrastructure.

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This document is available on the internet at: www.europarl.europa.eu/supporting-analyses

Annex 1: Summary of the reports by national audit institutions of the EU Member States

Country	Publication date	Title	Description
Belgium	15.03.2022	Progress of the Flemish Resilience Relaunch Plan - Evaluation report on the information quality of the third progress report by the Flemish Government	In March 2022, the Flemish Court of Audit issued two reports concerning the Flemish Resilience Relaunch Plan. The first report evaluated the plan's vision, layout, objectives, and follow-up, while the second report assessed the progress report submitted by the government.
	08.03.2022	Relaunch Plan Flemish Resilience	
	27.04.2023	Progress of the Flemish Resilience Relaunch Plan - Evaluation report on the information quality of the fifth progress report by the Flemish Government	At the request of the Flemish Parliament, the Court of Audit has evaluated the information quality of the Flemish Government's fifth progress report on the implementation of the recovery plan. That report reflected the state of implementation at the end of December 2022.
	02.05.2024	Progress of the Flemish Resilience Relaunch Plan - Evaluation report on the information quality of the sixth progress report by the Flemish Government	At the request of the Flemish Parliament, the Court of Audit has evaluated the information quality of the sixth progress report from the Flemish Government on the recovery plan implementation. That report reflected the status of implementation at the end of December 2023.
Czech Republic	31.03.2022	Report on the Financial management of EU Funds in the Czech Republic 2022	Financial management of EU funds in the Czech Republic in the European context and the audit work by the SAO and other external audit bodies in the field of EU budget funds allocated to the Czech Republic.
	31.03.2023	Report on the Financial management of EU Funds in the Czech Republic 2023	Financial management of EU funds in the Czech Republic in the European context and the audit work by the SAO and other external audit bodies in the field of EU budget funds allocated to the Czech Republic.
	01.07.2024	State and EU funds spent by the Ministry of Industry and Trade on brownfield regeneration (audit No. 23/16)	The objective of the inspection was to verify whether the funds of the state and the European Union spent by the Ministry of industry and commerce on the regeneration of brownfields were spent efficiently and economically and in accordance with legal regulations. The SAI found no wrongdoing in terms of spending purposes and no legal violations in the area provision of subsidies.
Estonia	29.08.2022	Risks and lessons learned from using European Union grants	The National Audit Office's report highlights significant challenges in Estonia's utilization of EU funding and offers important insights. The report calls for more effective planning and deployment of foreign funding and increased coordination to ensure essential projects are implemented successfully.

Finland	17.11.2023	Conclusions and recommendations of the National Audit Office	The audit was targeted at the funding that Finland has received from the EU's Recovery and Resilience Facility and that has been allocated for the purposes defined in the Sustainable Growth Programme for Finland and in the Sustainable Growth Programme for Finland and the national Recovery and Resilience Plan.
France	09.03.2022	Preparation and implementation of the recovery plan	The report summarised that although challenges exist in monitoring and regional coordination, the recovery plan achieved its 2021 spending target, and its continuation beyond 2021 raises questions about selectivity, evaluation, and fiscal sustainability.
	22.09.2023	The recovery plan's sectoral relocation scheme	Examines cases within the objective of France 2030 plan to restore industrial sovereignty and encourage investment in five sectors deemed strategic.
	22.09.2023	Performance in the programming and management of European funds in the social field	Examines the performance in the programming and management of European funds in the social field, which are managed by the State.
Germany	11.03.2021	On the potential impact of joint borrowing of the member states of the European Union on the federal budget (Recovery Fund)	The report raises significant concerns regarding the European Union's Recovery Fund, primarily stemming from its departure from established financial practices, including debt-financed transfers among Member States, the introduction of joint liability, and the absence of binding fiscal rules for Union debt.
	09.06.2022	Financing the Recovery Fund via Green Bonds of the European Union	A real time audit of the preparation and implementation of Germany's recovery and resilience plan. The report deals with the financing of the activities via green bonds of the European Union. The report takes into account the progress of implementation until May 2022 and the Federal Government's comments on the draft report.
Ireland	31.12.2022	Reporting Ireland's EU transactions	A report on EU transactions and their disclosure in accounts, which includes an element on the RRF and Ireland progress until the publishing date.
Italy	2014-2023	Annual Reports on the financial relationships between Italy and the EU	The reports discuss various points related to European Union financial matters and control mechanisms from the point of Italy.

	03/2023	Status report on the implementation of the National Recovery and Resilience Plan (RRP)	The report is focused on monitoring the progress in implementing the measures outlined in the PNRR and also includes an examination of investments in the complementary national plan.
	09/2023	Updated report on the state of implementation of the National Recovery and Resilience Plan (RRP)	In this report, the government presents the progress of investment and reform initiatives from financial, administrative, and organizational perspectives and also provides the results of an assessment of the main critical factors that have emerged since the start of the plan.
	05/2024	Updated status report on the implementation of the National Recovery and Resilience Plan (RRP)	The report examines the main effects of the revision of the Plan approved by decision on 8 December 2023, and verifies implementation of the Plan based on the achieved level in the past and current steps in the implementation to review obstacles emerging in 2024. The report also contains two in-depth topics on reforms and investments - in bridging gender gaps and in ecological transition with the analysis of REPowerEU chapter.
Latvia	12.05.2022	What challenges do we face in drafting and implementing the Latvia's Recovery and Resilience Plan?	The report emphasizes issues related to the initial selection and transparency of projects included in the RRP, concerns about political choices superseding economic benefit analysis in the planning process, and the potential budgetary impact if the RRP's interim indicators and targets are not met.
Lithuania	01.12.2022	Achievement of milestones and targets of the Lithuania's Recovery and Resilience Plan	This audit report focuses on Lithuania's National Recovery and Resilience Plan. The report assesses the achievement of milestones and targets set out in the plan and evaluates the preparedness of responsible ministries to manage associated risks.
Portugal	10/2021	Audit of Portugal 2020	The report provides an overview of PT2020, its objectives, EU funding support, and the focus of the audit, which aimed to evaluate its implementation and outcomes, particularly in the context of the COVID-19 pandemic and future funding prospects.
	07.07.2022	Audit on the application of public resources in digitalization for schools, focusing on Component 20 – "Digital School" of the Recovery and Resilience Plan (RRP)	The audit evaluates the effectiveness of investments and the monitoring and control system related to digitalization in schools. It highlights the importance of accelerating the digital transition, aligning with EU standards, and improving digital competencies in schools.
	04.10.2022	Opinion on the general account of the State	Court assesses the State's financial activity in 2021 and evaluates impact of RRP execution on budget spending. Additionally, it examines financial flows between Portugal and the EU, a large part of which is the funds form the RRF.

Spain	20.12.2023	Audit of the measures in place for the prevention, detection and correction of fraud approved by the state public sector entities within the framework of the RTRP: similarities, differences, risks and opportunities for improvement	The report analyses anti-fraud plans approved by entities to verify that the plans comply with the regulations and foster the development of public integrity.
	20.12.2023	Audit of the measures adopted by the General State Administration for the implementation of the RTRP	The reports evaluates the actions tailored at implementing management and control procedures indicated in the RRP. It focuses on the legality and effectiveness aspects of the implementation.
	27.04.2023	Preparation and implementation of the recovery plan	A report of an audit was conducted in coordination with the External Control Bodies of the Autonomous Communities to provide a comprehensive view of the entire regional public sector while promoting good practices in public entity organization and control.
	27.07.2023	Audit of the anti-fraud plans approved by the local entities that participate in the execution of the measures for the Recovery, Transformation and Resilience Plan	A report evaluates anti-fraud plans approved by the local authorities participating in the measures of the Recovery, Transformation and Resilience Plan and which have acquired the status of "executing entity". It aims to determine whether the entities have self-assessed their procedures according to the management principles of the RRP on anti-fraud, as well as review the implementation of anti-fraud action plans.

Annex 2: Summary of the reports by the European Court of Auditors on RRF Audits[9]

Publication date	Title	Description
08.09.2022	[The Commission's assessment of national recovery and resilience plans – Overall appropriate but implementation risks remain]()	This scrutiny report centred on a sample of six Member States, aiming to assess the adequacy of the European Commission's evaluation of the recovery and resilience plans. ECA verified whether the assessment procedures and guidance provided to Member States were managed effectively, ensuring that the formulated plans align with the objectives delineated by the Recovery and Resilience Facility. Moreover, we assessed their compliance with the stipulations outlined in the governing regulations of the Facility. The findings of this audit hold potential significance for future evaluations of the Commission, particularly concerning the potential submission of revised recovery and resilience plans. Furthermore, it underscores the inherent risks and challenges that may impede the successful implementation of said plans.
13.10.2022	[2021 Annual Report on the implementation of the EU budget]()	Chapter 10 of the report is specifically dedicated to the overview of the RRF spending in 2021, including management and control framework, regularity of transactions and further recommendations.
19.01.2023	[EU financing through cohesion policy and the Recovery and Resilience Facility: A comparative analysis]()	The report offers a comparative examination of the cohesion policy funds allocated for the period 2021-2027 and the Recovery and Resilience Facility (RRF), aiming to offer insights into the formulation of Multiannual Financial Frameworks post-2027. Through a detailed analysis, ECA scrutinizes the congruities and disparities inherent in these mechanisms, emphasizing aspects such as their overarching structural frameworks, governance modalities, and management strategies.
02.02.2023	[Coronavirus Response investment initiatives (CRII, CRII Plus) and REACT-EU]()	The report focused on assessing the European Commission's efficacy in adapting the 2014-2020 cohesion policy regulations through initiatives such as CRII/CRII+ and REACT-EU, aimed at granting Member States increased flexibility in utilizing cohesion policy funds to address the challenges posed by the COVID-19 pandemic. The rationale behind this audit stemmed from the significant alterations made to the legal framework governing cohesion policy, a pivotal area within the European Union's policy landscape. Given the substantial public interest in the effectiveness of these measures in aiding Member States' pandemic response efforts, our examination was deemed necessary. The timing of this report is strategic, as it allows the Commission to consider ECA's findings both in the context of the 2014-2020 ex post evaluation and in formulating the cohesion policy framework for the post-2027 period.

9 The indicative timetable of the European Court of Auditors' recent and upcoming publications is available here.

08.03.2023	Design of the Commission's control for the RRF	ECA conducted this audit in light of the substantial volume of disbursements anticipated under the Recovery and Resilience Facility (RRF) until its operational period concludes by the end of 2026. The primary objective of the audit was to evaluate and contribute to ensuring the effectiveness of the European Commission's control framework for the RRF. Specifically, the focus was on assessing the system's capacity to uphold the achievement of milestones and targets, as well as safeguarding the financial interests of the European Union, as of April 2022.
12.06.2023	NGEU debt management at the Commission	ECA findings indicates that the NextGenerationEU debt portfolio adhered to regulatory stipulations regarding borrowing limits, currency of borrowing transactions, and maximum average maturity. The Commission demonstrated effective communication with both capital markets and EU Member States regarding its borrowing strategies, while also efficiently managing the liquidity of the NextGenerationEU bank account. Additionally, the evolution of market yields for NextGenerationEU bonds mirrored those of Member States' bonds possessing similar credit ratings.
05.10.2023	2023 Annual Report on the implementation of the EU budget	Chapter 11 is specifically dedicated to the analysis of the RRF, including fulfilment of the milestones and targets, double funding and measure reversals. Additionally, the report criticises the Commission's ex ante and ex post evaluations of the RRF in the areas of compliance with eligibility criteria, reversal of previously fulfilled measures and compliance with the principle of non-substitution of recurring national budgetary expenditure.
24.10.2023	RRF performance monitoring framework	The objective of this audit was to evaluate the examination encompassed the period from the inception of the RRF until December 2022, enabling an evaluation of one complete performance reporting cycle. This timeframe allowed for the formulation of conclusions and recommendations aimed at enhancing the monitoring framework. Moreover, the audit sought to contribute to the discourse surrounding the design and implementation of such frameworks for instruments reliant on financing not tied to specific costs. Given the absence of a defined concept of "performance" within the regulations governing the RRF, ECA adopted a standard definition typically applied in ECA's audit's workstream, which entails evaluating the extent to which an EU-funded action, project, or program has achieved its objectives and delivered value for money.
02.09.2024	Special report 13/2024: Absorption of funds from the Recovery and Resilience Facility	The report examines whether the RRF funds have been disbursed as planned, the necessary measures were taken to ensure their planned absorption, and to identify risks to absorption and completion in the second half of the RRF instrument. Absorption is defined as EU funding paid out by the Commission to the Member States. The timely absorption is based on the submission of payment request in line with the indicative timeline in the operational arrangements. The report concludes that the absorption is progressing with delays posing future risks for the programme completion due

		to significant number of milestones and target left to achieve and shift from reforms to investments. The reports also identifies potential issues delaying the absorption and provides recommendations to the Commission on how to speed up the process.
11.09.2024	Special report 147/24: Green transition. Unclear contribution from the Recovery and Resilience Facility.	The report assess whether the design and the implementation of the RRF and the national recovery and resilience plans contribute effectively to the green transition. The report assesses the contribution made to the green transition by the selected measures, their milestones and targets, and their climate coefficients. The report reviews how these measures progress and how they are monitored from a green transition perspective. Finally, it looks into how the Commission and the Member States report information on climate spending and the green transition.