

# Recovery and Resilience Facility

**The Resilience and Recovery Facility (R&RF)**, launched in July 2020, is designed to inject additional funding into Member States to aid their economic recovery after the COVID-19 pandemic. It supports projects and programmes (sometimes referred to as reforms) which deliver “green and digital transitions,” and contribute to “strengthening the growth potential, resilience and cohesion of the Member State concerned”

**€310 billion grants and €250 billion loans** will be made available, in conjunction with other ‘Next Generation EU’ funds, to Member States.

**The aim** is for governments to outline how they will stimulate and reform their economies to deliver (some) tangible outcomes by 2024. The funds are dispersed depending on the applications made from Member States in their national R&R Facility lists.

## THE PROCESS

1. Member States will submit Recovery and Resilience plans to the Commission from 2020 to 2022. They have to be submitted by 30 April, each year, to obtain funding in that year.
2. Given the urgency of the need for economic stimulation, governments have been asked to prepare draft lists for September 2020 already.
3. This allows for feedback/negotiation with Member States before finalising funding. Should there be problematic projects submitted, this gives time for them to be raised to the European Council meeting in October. Otherwise, the Commission will then adopt a decision (Commission decisions cannot be amended by the Council or Parliament) indicating that they are to be fast-tracked for financing.
4. The Commission will publish each Member States R&R plan to allow for oversight from the European Council, Council and European Parliament. These plans will have to fit into European Semester as well as National Climate & Energy Plans (NECPS), Just Transition plans and Partnership Agreement plans (related to Cohesion funding).
5. The Commission will report annually on the progress of investments against the R&R plans.

## PROJECTS AND PROGRAMMES/REFORMS

- **Projects:** These can pre-commercial at different TRL levels or specific investments that were held up/stalled because of the pandemic
- **Programmes/reforms:** This applies to national legislation and enabling frameworks such as subsidies. They should be eligible for EU funding as grants or loans. New investment programmes or reforms to existing programmes can also be suggested to the government.

**Note:** there is scope for funding source overlap. So projects that could be innovative (and applicable to the EU’s Innovation Fund) are eligible as are programmes/national subsidies that were reduced/eliminated due to financial constraints which could/should be attributed to the pandemic.

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## EU DIMENSION:

It is important to stress the relevance to the EU's Green Deal priorities. Linking the project or programme to the following will be beneficial:

- **Renovation Wave** (projects for public buildings, schools, social housing, hospitals, etc): Highlight emissions saved (use lignite coal as the benchmark for emissions saved/avoided - 800kg/per tonne); and assume every euro saved by the consumer delivers an additional €30-€50 economic stimulus in the local economy; health benefits, etc
- **Renewable energy**: alongside the renewable energy benefits it is important to highlight CO2e savings, stress the impact on energy important non-renewable energy elements too.
- **CO2 emissions to be saved/avoided**: this should be an estimate and round-up to the nearest million tonnes.
- **Sector integration**: how the project/programme makes the EU's energy system function better is key. For example, highlighting lithium deposits to the EU's industrial strategy on lithium battery security of supply and the impact on the electrification of mobility. Geothermal to decarbonise industrial emissions is also useful.
- **Just Transition**: if there is an opportunity to upskill workers to enter the geothermal industry or support carbon-intensive regions transition to sustainability – for example by using mines to provide geothermal heat grids, etc – these should be referenced in your proposals.
- **Industrial strategy elements**: if a connection can be made to cost and emission reductions for manufacturing industry this is very helpful. Furthermore, it is useful to connect how the project/programme allows for large-scale investment which benefit local supply chains or leads to the EU gaining international competitive advantage through lithium battery valuechain investments, for example.
- A link to the **National Energy and Climate Plans (NCEPs)** is important.