

Follow-up to the European Parliament non-legislative resolution on the implementation of the Recovery and Resilience Facility

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- 2. References:** 2024/2085(INI) / A10-0098/2025 / P10_TA(2025)0128
- 3. Date of adoption of the resolution:** 18 June 2025
- 4. Competent Parliamentary Committee:** Committee on Budgets (BUDG), Committee on Economic and Monetary Affairs (ECON)
- 5. Brief analysis/ assessment of the resolution and requests made in it:**

The resolution on the implementation of the Recovery and Resilience Facility (RRF) emphasises the RRF's pivotal role in preventing the fragmentation of the internal market and the increase in macroeconomic divergences. It highlights the Commission's finding that the RRF has resulted in a sustained increase in investments across the EU.

The resolution expresses concern that the RRF expiration in 2026 poses a significant risk of substantial decline in public investment to support common European priorities; as well as highlighting the challenges posed by the short implementation timeframe. It expresses concerns about the significant administrative burden posed by the RRF, urges to simplify the implementation and reporting requirements, and invites the Commission, in cooperation with the Member States, to assess the measures most at risk of not being completed by 31 August 2026. The Parliament calls for an 18-month extension to the implementation period for projects that have reached maturity, through an amendment to the RRF Regulation. It stresses that the Commission should conduct the proposed extension of projects based on objective, clear and fair benchmarks.

The resolution emphasises the importance of transparency and preventing double funding. It calls on the Commission to regularly update and publish the lists of the main final recipients of each Member State on the Recovery and Resilience Scoreboard and ensure common understanding of the definition of final recipients. The resolution invites the Commission to improve the functioning of any future performance-based instrument, in the context of the next MFF.

Finally, the resolution calls on the Commission to conduct an independent evaluation and report on the impact of the RRF on private investment at aggregate EU level and requests that Parliament's role in monitoring the RRF be strengthened.

- 6. Response to requests and overview of actions taken, or intended to be taken, by the Commission:**

With reference to the **request for an 18-month extension to the implementation period** (para 42) **and for simplification** (para 35), it should be noted that the Recovery and Resilience Facility (RRF) was established as a temporary instrument, with the clear objective to help Member States recover from the COVID-19 pandemic and increase their resilience by supporting the implementation of reforms and investments to advance the green and digital transition. In line with the temporary nature of this instrument, the RRF has a clear end-date in 2026. Specifically, the implementation deadlines are enshrined in the RRF Regulation: Member States have until 31 August 2026 to complete all milestones and targets and the Commission has until 31 December 2026 to make all payments. No new net borrowing can take place beyond 2026.

The Commission recalls that the legal framework underpinning the RRF consists of the Own Resources Decision, the European Union Recovery Instrument (EURI) Regulation and the RRF Regulation. Extending the deadline of the RRF would require amending all three pieces of legislation:

- The Own Resources Decision to allow new net borrowing after the end of 2026;
- The EURI and RRF Regulations to allow payments to take place after the end of 2026.

Amending the EURI and the RRF Regulations would require a qualified majority of the Member States. The Own Resources Decision can only be amended by unanimity and approval by all Member States, in accordance with their respective constitutional requirements.

Given these constraints, the high political uncertainty related to the adoption of such amendments and the need for Member States to focus on the implementation of their plans rather than to speculate on an extension of the deadlines, the Commission will not propose any extension of the deadlines under the RRF.

On 4 June 2025, the Commission published a Communication *"NextGenerationEU - The road to 2026"* that takes stock of the implementation of the instrument so far and recalls the applicable legal framework and the relevant deadlines, together with their operational implications as regards the submission of payment requests, the provision of evidence, the payment suspension procedure and the revision of recovery and resilience plans (RRPs). Given the implementation delays, the Commission provided guidance to Member States on how to further streamline their RRP, which options to consider when revising them, and how to plan ahead for the submission of the last payment requests in 2026.

Against this background, the Commission invites Member States to review their RRP as soon as possible and to remove measures that are not certain to be fully implemented by the 31 August 2026 deadline. The Commission stands ready to support Member States in amending and simplifying their RRP to facilitate implementation while ensuring that plans continue to address Member States' needs and comply with the

requirements of the Regulation. Steps have already been taken in this regard. Notably, the Commission organised a meeting of the RRF expert group focused on this topic on 7 July. The Commission believes that, if Member States remain focused and RRP are rapidly revised where needed, it is feasible to implement the RRP in the remaining 14 months.

With reference to the **request to remain vigilant and proactive in identifying any potential situation of double funding** (para 50), the Commission recalls that the responsibility to avoid double funding at national and final recipient level lies primarily with Member States. To this end, Member States must put in place adequate control systems, which must also include checks to prevent, detect and correct cases of double funding. The prevention of double funding is performed at several levels:

- o First, when assessing the RRP and the programming of other EU funds, the Commission examined that suitable systems were in place to avoid double funding and that, at EU level, the same costs are not covered twice. The Commission also developed guidelines to help Member States.
- o In addition, the Commission also assesses and checks the reliability and robustness of the national control systems and includes targeted checks on double funding as part of its ex-post and system audits. In this context, the Commission requests information on final recipients and cross-checks this information with other information on projects under Cohesion as well as databases covering direct expenditure incurred by the Commission.
- o Finally, coordination between the Commission's internal audit services was reinforced in 2024 to ensure that risks, including double funding, are effectively identified and mitigated in the most efficient way.

Throughout the implementation, Member States must collect and provide information on the use of funds in relation to measures for the implementation of reforms and investment projects under their RRP. If double funding is discovered, the Member State must recover the related amounts from the final recipient. Otherwise, the Commission can recover those amounts.

With reference to the **request to increase transparency in addition to the bi-annual reporting on the 100 largest final recipients** under Article 25a of the RRF Regulation (para 51), the Commission reassures the European Parliament of its commitment to transparency. Regarding data publication, Article 25a of the RRF Regulation requires Member States to publish twice a year updated data, including the amount received, on the 100 final recipients receiving the highest amount of funding for the implementation of measures under the RRF. The Commission further stresses that while under Article 22(2)(d) of the RRF Regulation, for audit and control purposes, Member States are

required to collect and ensure access to the name of all final recipients, contractors, subcontractors and beneficial owners, there is no legal obligation to publish this data. Under the same Article, Member States also need to keep a list of any measures for the implementation of reforms and investment projects under the RRF with the total amount of public funding of those measures and indicating the amount of funds paid under the Facility and under other Union funds. The data is however available for audit and control purposes by bodies such as the European Anti-Fraud Office (OLAF), the European Public Prosecutor's Office (EPPO), and the European Court of Auditors (ECA), in addition to the Commission services. The Commission takes every opportunity to foster transparency where possible. Going beyond the legal requirements of the RRF Regulation, the Commission has followed up with Member States to request a list of the largest recipients of funds to implement RRF measures, including contractors and sub-contractors, as requested to this effect by the European Parliament. The references to "final recipients" and "funds received" in Parliament's request were different from the definitions of these terms under Article 22(2)(d) of the RRF Regulation. The collected data has since been shared with the Parliament Committee on Budgetary Control, demonstrating the Commission's ongoing efforts to promote transparency.

With reference to the **request on the role of the European Parliament in monitoring the RRF** (para 57), the Commission stresses that in line with the requirements of the Regulation, the Parliament receives all relevant documentation at the same time as the Council, and can invite the Commission every two months for a Recovery and Resilience Dialogue. 19 such Dialogues have been held so far. In addition, the Commission has also participated in 38 meetings of the RRF Working Groups at Director-General level, and the Parliament has been invited as an observer to all 31 meetings of the Expert Group of Member States on the RRF. The RRF Regulation therefore gives the Parliament a prominent role in the implementation of the Facility, which in turn has had a very positive impact in terms of ownership, transparency, accountability, and practical improvements to the implementation of the Facility.

With reference to the request on the role of the European Parliament in scrutinising the RRF (para 57), the Commission takes in utmost consideration the recommendations issued by the European Parliament on the RRF, in particular in the context of the discharge. The Commission has taken a positive and constructive attitude towards the many recommendations issued by the ECA and has accepted most of its recommendations on the RRF. Only in a few cases did the Commission had to reject a recommendation, if it was either legally or practically impossible for it to implement, or would lead to undue burdens. The Commission continues to learn from experience and feedback from the ECA and the Parliament. In particular, in response to previous Parliament recommendations, the Commission has implemented several actions:

- o Further guidance on the concept of final recipients was provided in Annex V of the RRF Annual Report published in October 2024. The Commission is regularly following up with Member States — notably through audits and within the framework of a dedicated RRF expert group of 3 April 2025 — and has taken the necessary actions, including audit recommendations and control milestones to ensure Member States' compliance with Art. 22 and 25a requirements. The Commission services also analyse the lists of the 100 largest final recipients reported by Member States and follow up with the national authorities where necessary, for instance in case of erroneous definition of the final recipient. The Commission continues to share information on the 100 largest final recipients publicly via the Recovery and Resilience Scoreboard.
- o The information provided in the Recovery and Resilience Scoreboard enhances the transparency towards the public, going even beyond the legal requirements set out in Article 30 of the RRF Regulation. The Scoreboard is a user-friendly, interactive and easy to navigate tool that presents information on the RRF in a visually attractive way. The Scoreboard displays the progress with the implementation of the plans in relation to each of the six policy pillars, the common indicators and the 100 largest final recipients. In addition, the Commission has published numerous thematic analyses regarding RRF measures across all six pillars of the RRF and is regularly updating them.
- o Further strengthening our audit and control systems has been undertaken to ensure transparency and accountability, by systematically integrating checks on procurement and state aid in all our audit.
- o The Commission has continued providing detailed public assessments of payment requests and revisions of plans. It also continued ensuring equal treatment among Member States.
- o The Commission has integrated checks on the reversal of milestones and targets into our audit procedures.
- o The interactive map of exemplary RRF projects has grown significantly, now showcasing over 900 projects, up from just 350 in March 2023.

With reference to the **recommendation to conduct an independent evaluation and to report on the RRF impact on private investments at aggregate EU level** (para 70), the Commission notes that a mid-term evaluation of the RRF was published in February 2024, in line with the requirements of the RRF Regulation. This mid-term evaluation took stock of implementation at the half-way point and helped identify possible improvements in implementing the RRF over its remaining lifetime. An ex-post evaluation of the Facility by the Commission in 2028 is required under the RRF Regulation and will entail a global assessment of the Facility and its impact, once the

measures included in the RRFs are fully implemented.

The Commission is undertaking a wide range of analyses on the RRF with a view to assessing its impact. In May 2025, the Commission published an analysis on the Economic Impacts of the RRF, with a focus on spillover effects. The Commission is conducting research internally and has tendered several research projects to analyse the impact of the RRF in specific policy areas, such as labour markets and sustainable transport. An upcoming project will focus on the impact of the RRF on private investment. All insights gained will feed into the ex-post evaluation of the RRF. Moreover, the Commission has published two datasets to enhance transparency and facilitate research on the RRF¹. Finally, the Commission is organising a Research Conference in January 2026, to discuss research and preliminary evidence on the impact of the RRF. A dedicated call for papers has been launched to stimulate and collect relevant research papers on the impact of the RRF.

¹ A dataset summarising information on measures, milestones and targets contained in the Council Implementing Decisions and their Annexes was published in April (see “List of milestones and targets per measure” on the Recovery and Resilience Scoreboard: https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/milestones_and_targets.html). A second, sectoral dataset that categorises all investment and reform measures under the RRF into industries for all Member States has been made available in July (https://economy-finance.ec.europa.eu/economic-research-and-databases/economic-research/call-papers-economic-impact-rrf_en).