

# Overall architecture - building blocks

Recovery Fund



**€750 BILLION = €500 BILLION GRANTS + €250 BILLION LOANS**

Adjusted MFF



**€1 074 BILLION**

Brexit Adjustment Reserve

Governance of Next Generation EU

Own resources

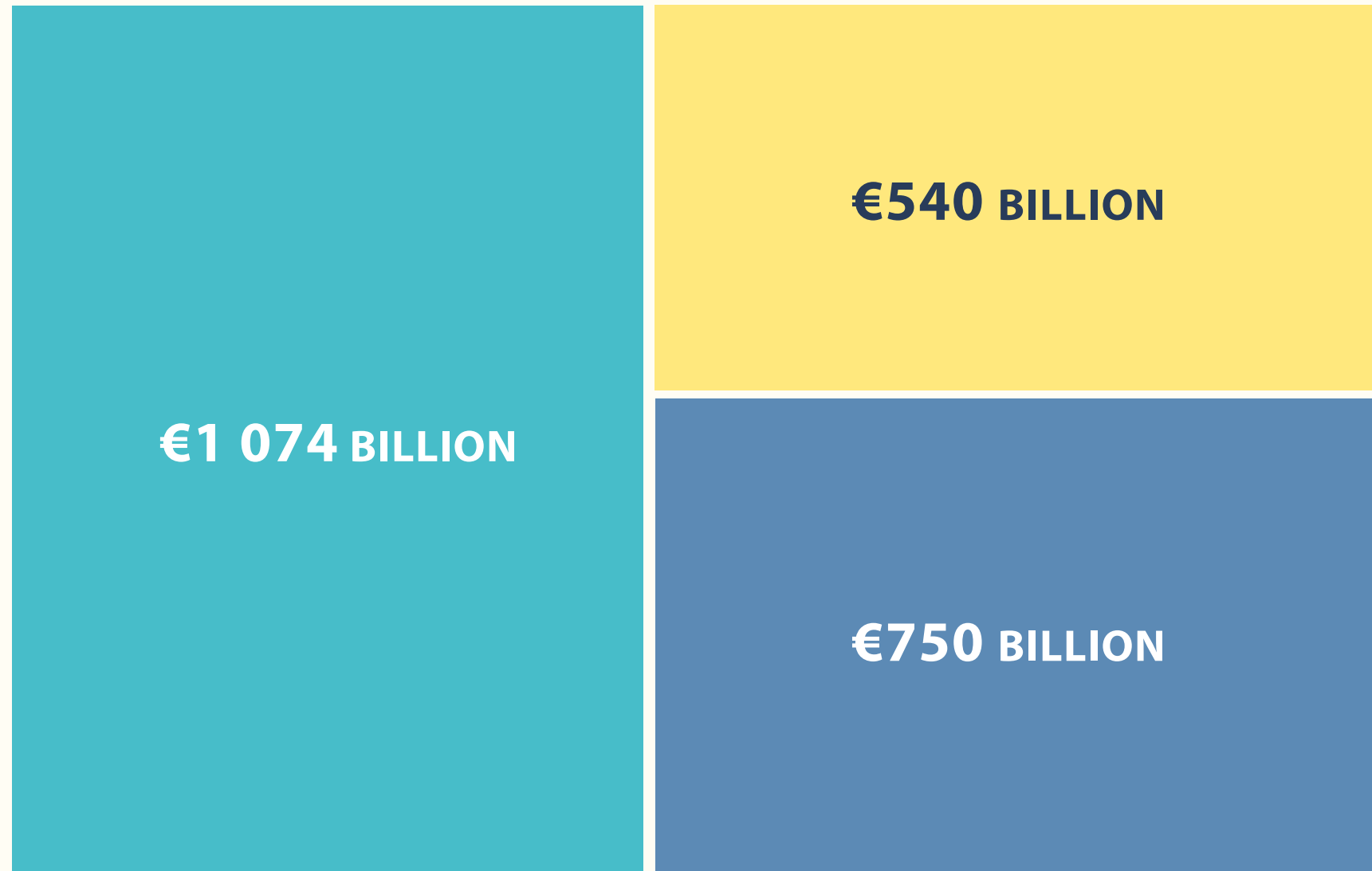
Rebates



# A recovery plan for Europe



**Total:**  
**€2 364**  
**BILLION**



↑  
**Multiannual Financial Framework**

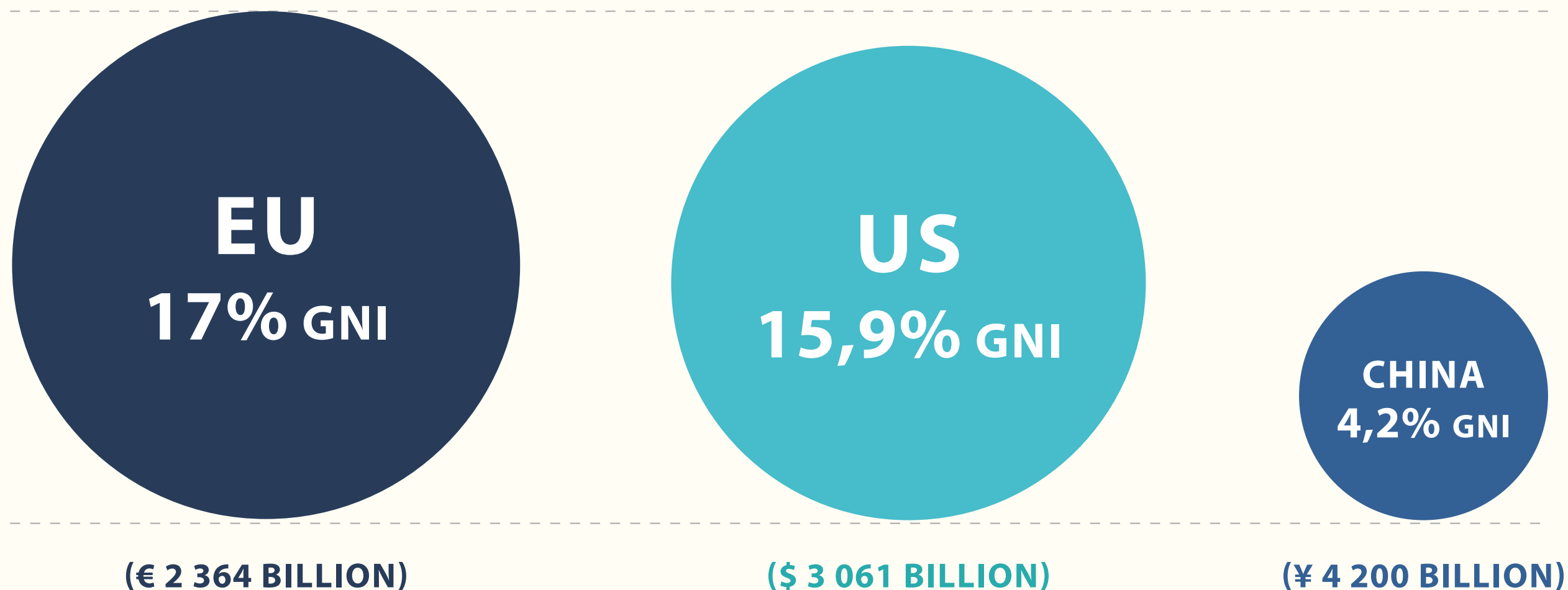
↑  
**Next Generation EU / Recovery Fund**

← **3 safety nets already in place**

- for workers
- for businesses
- for member states



# The EU's response: a comparison with the US and China



**Data sources:** Bruegel, IMF, World Bank

Measures taken by EU member states, the ECB and national central banks are not included.

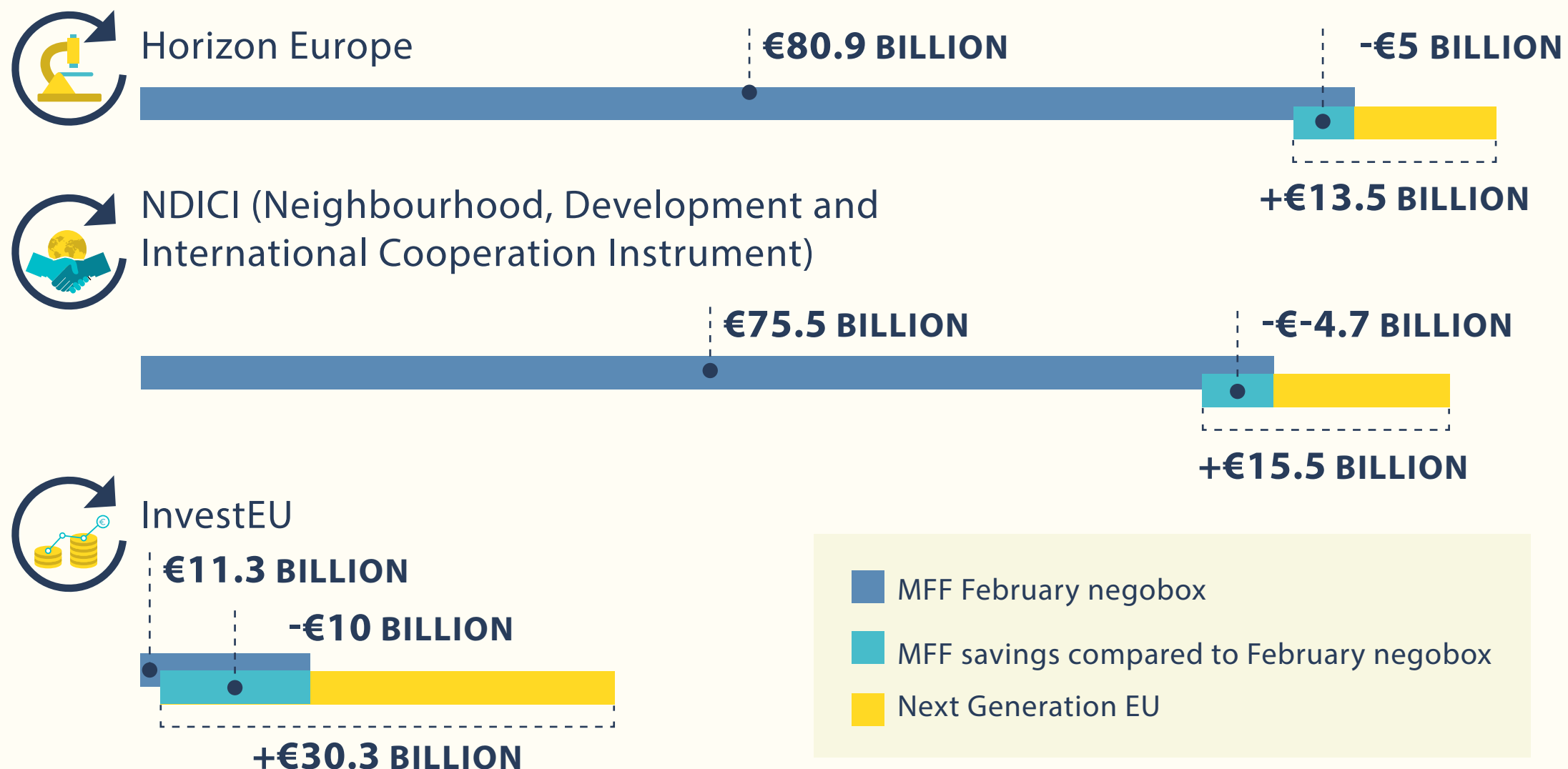
Data for China may be incomplete

Currency conversion: InforEuro

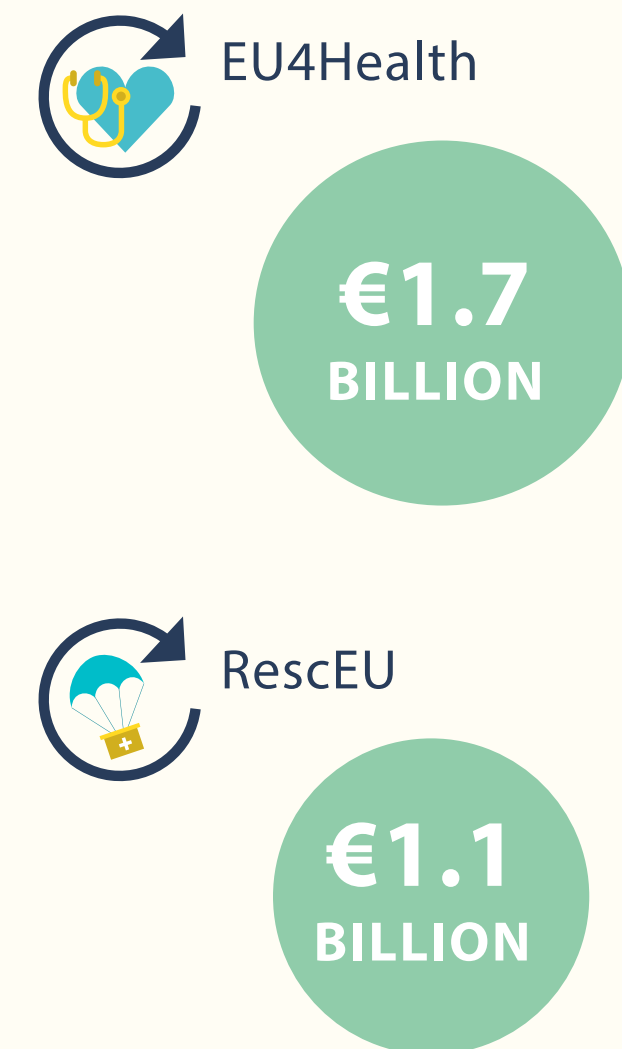


# Targeted changes to the February negobox

## Targeted savings compensated by additional funding in Next Generation EU



## Additional funding in the MFF



# Increasing investment in the climate and digital transitions

## Climate

**Climate mainstreaming** target: 30%  
MFF programmes contribute to target

Individual targets for:

- European Regional Development Fund: 30%
- Common Agricultural Policy: 40%

Just Transition Fund:

- €30 billion Next Generation EU
- €7.5 billion MFF



## Digital

**Digital mainstreamed** across programmes including under Next Generation EU  
Increased funding under MFF

Cohesion funds (especially ERDF) will contribute to digital objectives

Confirmed increases for:

- Digital Europe programme
- Connecting Europe Facility (digital strand)



# Recovery and Resilience Facility: allocation of grants

## Grants to member states

€217 BILLION

€93 BILLION

### ALLOCATION KEY

Criteria proposed by the  
European Commission:

- unemployment 2015-2019
- inverse GDP per capita
- population share

2021 - 2022

2023

### ALLOCATION KEY

Criteria reflect impact of crisis:

- overall drop in GDP in 2020  
and 2021, observed in 2022
- inverse GDP per capita
- population share



# Governance of Next Generation EU

## STEP 1

### Assessment of national plans

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Approved by the Council by qualified majority



## STEP 2

### Decision of release of funds

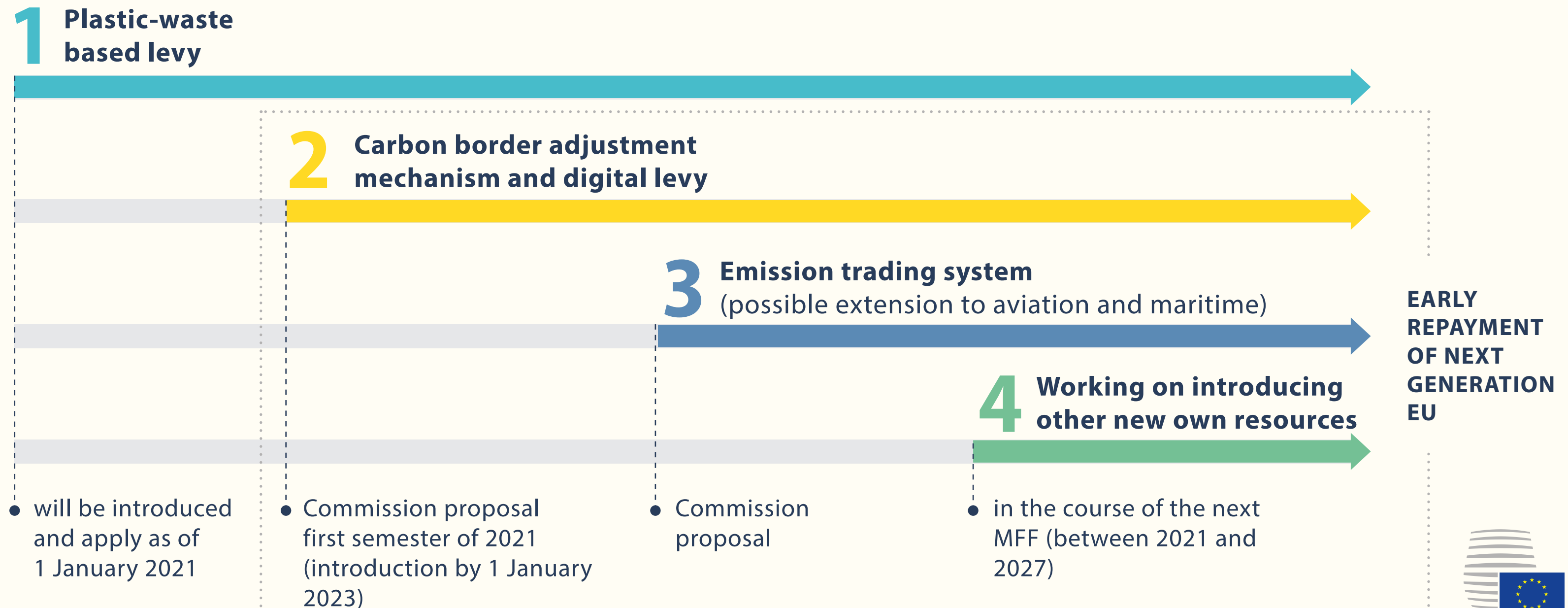
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Adopted by the Commission taking into account the opinion of the Economic and Financial Committee



# Own resources

## Four-phase approach:





# Brexit Adjustment Reserve



**€5 billion**  
New special Brexit  
Adjustment Reserve



**Aim:** counter adverse  
consequences in **member states**  
and **sectors that are worst**  
affected by Brexit.

# Rebates

## Lump sum rebates for:

 AUSTRIA

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 DENMARK

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 GERMANY

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 THE NETHERLANDS

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 SWEDEN

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