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2022/0427 (NLE)

Proposal for a

COUNCIL IMPLEMENTING DECISION

amending Council Implementing Decision (EU) (ST 10155/21; ST 10155/21 ADD 1) on the approval of the assessment of the recovery and resilience plan for Luxembourg

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility[1], and in particular Article 18(2) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) Following the submission of the national recovery and resilience plan ('RRP') by Luxembourg on 30 April 2021, the Commission has proposed its positive assessment to the Council. The Council has approved the positive assessment by means of the Council Implementing Decision of 13 July 2021[2].

(2) Pursuant to Article 11(2) of Regulation (EU) 2021/241, the maximum financial contribution for non-repayable financial support of each Member State should be updated by 30 June 2022 in accordance with the methodology provided therein. On 30 June 2022, the Commission presented the results of that update to the European Parliament and the Council.

(3) On 11 November 2022, Luxembourg submitted its updated RRP to the Commission, in accordance with Article 18(2) of Regulation (EU) 2021/241, to take into account the updated maximum financial contribution. Pursuant to Article 19 of Regulation (EU) 2021/241, the Commission has assessed the relevance, effectiveness, efficiency and coherence of the updated RRP, in accordance with the assessment guidelines set out in Annex V to that Regulation.

(4) The update submitted by Luxembourg affects the Digital Skills investment under Component 1A and milestones and targets with sequential numbers 1A-6 to 1A-8, (‘Skilling, Upskilling and Reskilling’).

(5) The Digital Skills investment, which concerns a set of e-learning courses on digital skills targeting employees placed on short time work schemes between January and March 2021, is removed from the updated RRP of Luxembourg. The description of the

[1] OJ L 57, 18.2.2021, p. 17.

[2] ST10155/21; ST 10155/21 ADD 1, not yet published.

Digital Skills investment, target 1A-6 and milestones 1A-7 and 1A-8 should be removed from the Council Implementing Decision of 13 July 2021.

(6) The very limited modification put forward by Luxembourg does not affect the positive assessment of the RRP, with regard to its relevance, effectiveness, efficiency and coherence of the RRP.

(7) In particular, with regard to the assessment criterion of Article 19(3), point (b), in spite of the removal of the Digital Skills investment, the updated RRP continues to address all or a significant sub-set of challenges identified in the country specific recommendations addressed by the Council to Luxembourg in 2019 and 2020, including on labour market policies and on the digital transition. The updated RRP still contains digital measures, including on upskilling and reskilling. In particular, the FutureSkills programme provides soft, digital, and managerial skills to job seekers, with a dedicated target for job seekers aged 45 year and more. The "Skillsdësch" reform is aimed at designing vocational training programmes ("Skillsbridges") helping workers and job seekers to enhance their employability during the green and digital transitions. Furthermore, the updated RRP also maintains a number of investments in digitalisation and innovation contributing to the digital transition in the areas of healthcare and public services, and by developing an ultra-secure communication infrastructure.

(8) Furthermore, with regard to the assessment criterion of Article 19(3), point (e), taking into account the reduced maximum financial contribution and the updated RRP, the measures that effectively contribute to the green transition amount to 68.8% of the updated RRP's total allocation, compared with 60.9% in the initial RRP. These figures have been calculated in accordance with the methodology set out in Annex VI to Regulation (EU) 2021/241.

(9) Moreover, with regard to the assessment criterion of Article 19(3), point (f), the measures that effectively contribute to the digital transition account for an amount which represents 29.6% of the updated RRP's total allocation, compared with 31.6% in the initial RRP. These figures have been calculated in accordance with the methodology set out in Annex VII to Regulation (EU) 2021/241.

(10) With regard to the assessment criteria of Article 19(3), points (a), (c), (d), (g), (h), (i), (j) and (k) of Regulation (EU) 2021/241, the limited modifications of the RRP do not affect the positive assessment of the initial plan.

(11) Following the positive assessment of the Commission concerning Luxembourg's updated RRP with the finding that the RRP satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241, in accordance with Article 20(2) of and Annex V to that Regulation, this Decision should set out the amendments to the reforms and investment projects necessary to take account of the updated RRP.

(12) The estimated total cost of the updated RRP of Luxembourg is EUR 88 354 077. As the updated RRP satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241 and, furthermore, as the amount of the estimated total costs of the updated RRP is higher than the updated maximum financial contribution available for Luxembourg, the financial contribution allocated for Luxembourg's updated RRP should be equal to the total amount of the updated financial contribution available for Luxembourg.

(13) Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Luxembourg should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Luxembourg is amended as follows:

(1) Article 1 is replaced by the following:

The assessment of the updated RRP of Luxembourg on the basis of the criteria provided for in Article 19(3) of Regulation (EU) 2021/241 is approved. The reforms and investment projects under the RRP, the arrangements and timetable for the monitoring and implementation of the RRP, including the relevant milestones and targets, the relevant indicators relating to the fulfilment of the envisaged milestones and targets, and the arrangements for providing full access by the Commission to the underlying relevant data are set out in the Annex to this Decision.

(2) In Article 2, paragraphs 1 and 2 are replaced by the following:

1. The Union shall make available to Luxembourg a financial contribution in the form of non-repayable support amounting to EUR 82 670 643[3]. An amount of EUR 76 625 886 shall be available to be legally committed by 31 December 2022. A further amount of EUR 6 044 757 shall be available to be legally committed from 1 January 2023 until 31 December 2023.

2. The Union financial contribution shall be made available by the Commission to Luxembourg in instalments in accordance with the Annex to this Decision. The instalments may be disbursed by the Commission in one or several tranches. The size of the tranches shall be subject to the availability of funding.

(3) The Annex is amended as follows:

(a) Section 1: Reforms and Investments under the Recovery and Resilience Plan is amended as follows:

(i) in point 1. Description of reforms and investments; A. Component 1A: Skilling, Upskilling and Reskilling, paragraph 1, the second sentence is replaced by the following:

“A training programme, the FutureSkills programme, provides skills to job seekers, with a dedicated target for job seekers aged 45 year and more.”;

(ii) in point 1. Description of reforms and investments; A. Component 1A: Skilling, Upskilling and Reskilling; A.1. Description of the reforms and investments for non-repayable financial support, the point “Investment 2: Digital Skills” is deleted;

[3] This amount corresponds to the financial allocation after deduction of Luxembourg’s proportional share of the expenses of Article 6(2) of Regulation (EU) 2021/241, calculated in accordance with the methodology of Article 11 of that Regulation.

(iii) in point 1. Description of reforms and investments; A. Component 1A: Skilling, Upskilling and Reskilling; A.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support, rows 1A-6, 1A-7 and 1A-8 are deleted;

(iv) in point 2. Estimated total cost of the recovery and resilience plan, the subparagraph is replaced by the following:

> 'The estimated total cost of the recovery and resilience plan of Luxembourg is EUR 88 354 077.'

(b) Section 2: Financial Support is amended as follows:

(i) in point 1. Financial contribution, 1.1 First Instalment (non-repayable support), rows 1A-6, 1A-7 and 1A-8 are deleted;

(ii) in point 1. Financial contribution, 1.1 First Instalment (non-repayable support), the Instalment Amount of "EUR 29 858 611" in the final row and column is replaced by "EUR 24 858 611";

(iii) in point 1. Financial contribution, 1.2 Second Instalment (non-repayable support), the Instalment Amount of "EUR 24 413 757" in the final row and column is replaced by "EUR 22 228 500";

(iv) in point 1. Financial contribution, 1.3 Third Instalment (non-repayable support), the Instalment Amount of "EUR 18 626 256" in the final row and column is replaced by "EUR 16 959 033";

(v) in point 1. Financial contribution, 1.4 Fourth Instalment (non-repayable support), the Instalment Amount of "EUR 12 649 505" in the final row and column is replaced by "EUR 11 517 256";

(vi) in point 1. Financial contribution, 1.5 Fifth Instalment (non-repayable support), the Instalment Amount of "EUR 7 805 947" in the final row and column is replaced by "EUR 7 107 243".

Article 2
Addressee

This Decision is addressed to the Grand Duchy of Luxembourg.

Done at Brussels,

For the Council
The President