



European parliamentary engagement in Recovery and Resilience Plans

Key Messages

- The Recovery and Resilience Facility is a significant financial resource available to European States, including Ireland. To ensure transparency and value for money, parliaments in EU Member states are monitoring and scrutinising Recovery and Resilience Plans (RRPs).
- This note presents survey information on the experiences of parliaments in the EU on the scrutiny of the RRP. The note is based on data from a ECPRD¹ survey of European Union countries' parliaments' involvement and role in the formulation of RRP and a ECPRD seminar, with case studies on parliamentary engagement from Spain, France and Italy.
- The ECPRD survey highlights active engagement of Government with Parliament in some countries and very limited engagement in other countries, as was the case for Ireland. Only 7 out of 24 countries answered no to all four questions on the scrutiny of the RRP. This includes Ireland.
- While there was a public consultation on Ireland's Recovery and Resilience Plan, as of mid- May 2021, the Government has not submitted a draft or completed Recovery and Resilience Plan to the Houses of the Oireachtas. There has been no substantive engagement with the Oireachtas or Oireachtas Committees on the plan. There has been limited scrutiny by the Oireachtas in the preparation of the Recovery and Resilience Plan.
- To maximise value for money and oversight, there could be value in establishing a framework for best practice, which could enhance parliamentary engagement for EU programmes such as the RRP. For example, the Oireachtas could examine the RRP in both plenary session and in the relevant committees. The relevant committees could facilitate engagement with Ministers and Departments and ensure ongoing scrutiny and oversight of the formulation and implementation of the RRP.
- From other parliament's experience, the Houses of the Oireachtas or one of its committees could consider requesting quarterly updates on the progress of the Recovery and Resilience Plan from the Government and considering these updates in committee. These accountability mechanisms could enhance parliamentary engagement on this significant investment of funds.
- The lack of scrutiny by the Oireachtas of the Recovery and Resilience Plan points to a larger difficulty in the assessment of EU Budget related issues. The ratification of the new Own Resource Decision was made by Government with no scrutiny by the Oireachtas. This issue is compounded by the fact that most EU spending in Ireland does not go through the Estimates process.

¹ European Centre for Parliamentary Research and Documentation, a network of European parliamentary library and research services.

1. Introduction

The **Recovery and Resilience Facility** (RRF -part of the Next Generation EU Instrument) will provide funding for investment and structural reforms to EU Member States. Supports will be concentrated in the Member States most affected by the Covid-19 pandemic. The Recovery and Resilience Facility will make €673.3 billion in grants and repayable loans available to Member States in order to implement reforms and growth-enhancing investments.

The deployment of the funds is based on **Recovery and Resilience Plans** (RRPs) submitted by the Member States to the EU. The RRP's aim to both mitigate the consequences of the pandemic and prepare a more resilient and sustainable economy for the climate and digital transitions. Each plan must have at least 37% of its budget allocated to climate transition and at least 20% to digital transition.

In line with the regulation on Recovery and Resilience Plans, the European Parliament is seeking regular updates and data on the implementation of the plans. The European Parliament is trying to ensure effective and proper spending, appropriate transparency and democratic accountability.²

The Recovery and Resilience Plan is to include policy reforms and investments up to mid-2026. The funds are paid in instalments and based on fulfilling milestones and targets agreed between the Member State and the European Commission. As **Ireland's** allocation of the Recovery and Resilience Facility is €853 million, this will be a significant financial resource available to the Irish State.³

2. ECPRD survey of European Parliaments involvement in Recovery and Resilience Plans

The purpose of this note is to present information on the level of engagement by parliaments in the other European Union Member States on the RRP's. **Parliamentary involvement in the RRP-related processes enables legislatures to scrutinise the draft proposals by executives/governments, suggest amendments and highlight potential issues and difficulties.** The motivation behind the survey is for each parliament to know the work of their peers and assist in developing a framework for best practice for scrutiny of Recovery and Resilience Plans.

Findings are presented from a survey of Parliaments in the European Union on their involvement with their countries respective RRP's, using the European Centre for Parliamentary Research and Documentation (ECPRD).

From the ECPRD survey, parliamentary houses (lower and upper chamber) from 24 EU countries responded to four yes/no questions.⁴ In addition, the survey had one open question about parliaments' influence on the final version of the Recovery and Resilience Plans.⁵ Table 1 outlines the responses to the four questions. Where both houses of parliament have responded, these have been merged into one national response. In three countries, Belgium, Czechia, and Poland, only one of the two chambers responded yes to one of the questions and this is counted as a yes in the table.

2 European Parliament (2021) "[Parliament demands democratic scrutiny over national recovery efforts](#)"

3 PBO (2021) [EU Budget: the Multi-Annual Financial Framework and the Next Generation EU \(NGEU\) Instrument](#).

4 The survey was organised by the Italian Parliament's lower chamber - *Camera dei Deputati*. The PBO responded to the survey on behalf of the Houses of the Oireachtas Service.

5 The survey is missing responses from Bulgaria, Lithuania, and Luxembourg.

- In 7 out of 24 countries (30%), the government has submitted preliminary directives and priorities for the definition of the Recovery and Resilience Plan by April 2021 (third column).
- In 12 out of 24 countries (50%), the government has submitted to parliament a draft version of the Recovery and Resilience Plan by April 2021 (fourth column).
- In 5 out of 24 countries (21%), the government has submitted to parliament a final version of the Recovery and Resilience Plan by April 2021 (fifth column). This includes two countries (Austria and Belgium) where the government did not submit a previous draft version of the Recovery and Resilience Plan.
- In 4 out of 24 countries (17%), the parliamentary committees had contact with the representatives of the EU Commission to acquire more information on the Recovery and Resilience Plans.
- In Ireland's case the answer to all questions was no.

Parliamentary contribution was most evident in the phase of the examination of RRP drafts and least evident for contacts between EU Commission and parliamentary committees.

Only 7 out of 24 countries answered no to all questions (Croatia, Denmark, Hungary, Ireland, Malta, Netherlands and Slovakia). According to the ECPRD survey, parliamentary activity on RRP was mainly in committees rather than in plenary sessions.⁶

6 Cucinotta, M. (2021) *ECPRD questionnaire an overview of the results*

Table 1: ECPRD survey summary

		has your government submitted to parliament (by 12 April 2021)			Have Parliamentary Committees had contacts with the EU Commission to acquire more information on the RRP
		preliminary directives and priorities for RRP	a draft version of the RRP	the final version of the RRP	
1.	Austria			√	√
2.	Belgium			√	√
3.	Croatia				
4.	Cyprus	√	√		
5.	Czechia		√	√	
6.	Denmark				
7.	Estonia	√	√		
8.	Finland	√			
9.	France		√		
10.	Germany		√	√	
11.	Greece		√		
12.	Hungary				
13.	IRELAND				
14.	Italy	√	√		√
15.	Latvia		√		
16.	Malta				
17.	Netherlands				
18.	Poland	√	√		√
19.	Portugal	√			
20.	Romania		√	√	
21.	Slovakia				
22.	Slovenia		√		
23.	Spain		√		
24.	Sweden	√			

Source: ECPRD

3. Case Studies

At a ECPRD seminar on parliamentary involvement in Recovery and Resilience Plan, the following case studies, where more engagement with Parliament occurred, were presented.

3.1 Spain

In the Spanish case the government submitted a draft version of the RRP to Parliament. The allocation of RRP resources was incorporated into the national budgetary procedures of Spain. **The government has also agreed to inform the**

Spanish Parliament's committee for EU Affairs quarterly on the progress of the Recovery and Resilience Plan.

The Committee for the Economic and Social Reconstruction oversaw the Parliament's work on the Spanish Recovery and Resilience Plan. The Committee had 4 working groups on: EU, Economic Reactivation, Public Health System and Social and Care Systems Politics. The Committee had 15 sessions from May to July 2020, 21 hearings from government officials, experts, and stakeholders; 25 contributions from experts and institutions; and 572 contributions from stakeholders and individuals.

3.2 France

The Recovery and Resilience Plan was published by the French Government in September 2020 and the Minister for Economy presented the proposals to the Committee of Finance in the French Parliament. The Recovery and Resilience Plan had six dimensions: 1) Green transition, 2) Digital transformation, 3) Smart, sustainable and inclusive growth, 4) Social and territorial cohesion, 5) Health, and economic, social and institutional resilience, and 6) Policies for the next generation, children and the youth.

To speed up the implementation of the Recovery and Resilience Plan, a preference is to be given to 'shovel-ready' projects. For instance, €4 billion is allocated to the thermal renovation of public buildings, which was already a legal obligation. In addition, around €300 million is allocated for the renovation of historical buildings, some of which was already being undertaken before the Recovery and Resilience Plan was developed.

The Recovery and Resilience Plan in France has an accountability mechanism. A national Monitoring Committee was established with members of Parliament, the Court of Auditors, business federations and local authorities. This committee receives information on the progress of the RRP and will publish a report in December 2021 on the implementation and results of the Plan.

The survey response on the French case suggested that the parliament had some influence on the final version of the Recovery and Resilience Plan. However, this influence was more on the implementation of measures (e.g. conditions on the aid provided to business) than in resource allocation. Most of the legislative measures and credit allocations contained in the Plan were approved by French Parliament as part of the 2021 Budget Bill.

3.3 Italy

The Italian Parliament's involvement in the Resilience and Recovery Plan was through three main procedural steps: 1) definition of guidelines for drafting the Resilience and Recovery Plan, 2) detailed examination of the draft Resilience and Recovery Plan, and 3) endorsement of the final version of Resilience and Recovery Plan.

This resulted in significant parliamentary debate in both committees and in plenary sessions. **There were two parliamentary resolutions on guidelines for drafting the Resilience and Recovery Plan and on the examination of the draft Resilience and Recovery Plan.** There was detailed analysis by parliamentary bodies on the governance in the Resilience and Recovery Plan, such as, milestones, qualitative and quantitative targets, reforms accompanying the Plan.

It is expected that there will be a significant time restraint on parliamentary discussion on the final version of the Plan as there is a concern that EU funding could be at risk.



The Italian Parliament will only have a few days to evaluate the final version of the Recovery and Resilience Plan before it is expected to give its endorsement to the Plan. The final version of the Plan is not expected to be submitted to parliamentary committees for examination and it is expected that there will be no opportunity to make changes to the final version of the Recovery and Resilience Plan.

4. Lessons for the Oireachtas

The oversight and scrutiny functions of the Houses of the Oireachtas are important to ensure financial resources available to the Irish State are appropriately spent and maximise value for money. The Recovery and Resilience Plan is a new and temporary programme and has little precedent to model itself on. Therefore, **parliamentary scrutiny** is of more importance.

While there was a public consultation on Ireland's Recovery and Resilience Plan, no specific detail was published with it. The Recovery and Resilience Plan was not published by end-April 2021 as suggested by EU guidelines. The Government has indicated it will be published shortly and will include the National Reform Programme.⁷

In Ireland's case, there has been no submission by Government to the Houses of the draft plan and consequently limited scrutiny activity by Oireachtas committees despite requests for further information and engagement by the Committee on Finance, Public Expenditure and Reform and An Taoiseach.

Based on the Spanish Parliament's experience, the Oireachtas could consider requesting a quarterly update on the progress of the Recovery and Resilience Plan from the Government. This could be then considered in an appropriate Committee. Such a mechanism would enhance parliamentary engagement on this investment of funds.

The Oireachtas could examine the Recovery and Resilience Plan itself when published both plenary session and in the relevant committee or committees. The committees could facilitate engagement with Ministers and Department and later ensure ongoing scrutiny and oversight of the implementation of the Recovery and Resilience Plan.

The lack of scrutiny (so far) of the Recovery and Resilience Plan also points to a larger issue regarding the assessment of EU Budget related issues. The decision to ratify the new Own Resource Decision was made by Government with no scrutiny by the Houses of the Oireachtas. Summarily, most EU spending in Ireland does not go through the Estimates process and thus receives limited analysis from the Houses.

⁷ Department of Taoiseach (2021) "[Public Consultation on Ireland's National Recovery and Resilience Plan](#)"