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#### LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject:

COUNCIL IMPLEMENTING DECISION amending the Implementing Decision of 8 September 2021 on the approval of the assessment of the recovery and resilience plan for Czechia

#### **COUNCIL IMPLEMENTING DECISION**

of ...

## amending the Implementing Decision of 8 September 2021 on the approval of the assessment of the recovery and resilience plan for Czechia

## 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<sup>1</sup>, and in particular Article 20(1) thereof,

Having regard to the proposal from the European Commission,

<sup>&</sup>lt;sup>1</sup> OJ L 57, 18.2.2021, p. 17, ELI: http://data.europa.eu/eli/reg/2021/241/oj.

#### Whereas:

- Following the submission of the national recovery and resilience plan ('RRP') by Czechia on 1 June 2021, the Commission proposed its positive assessment to the Council. On 8 September 2021, the Council approved the positive assessment by means of an implementing decision ('the Council Implementing Decision of 8 September 2021')<sup>2</sup>. The Council Implementing Decision of 8 September 2021 was amended by Council implementing decisions of 17 October 2023<sup>3</sup> and 16 October 2024<sup>4</sup>.
- (2) On 17 April 2025, Czechia made a reasoned request to the Commission to make a proposal to amend the Council Implementing Decision of 8 September 2021 in accordance with Article 21(1) of Regulation (EU) 2021/241 on the grounds that the RRP is partially no longer achievable because of objective circumstances. On that basis, Czechia has submitted an amended RRP.

## Amendments based on Article 21 of Regulation (EU) 2021/241

(3) The amendments to the RRP submitted by Czechia because of objective circumstances concern 83 measures.

<sup>&</sup>lt;sup>2</sup> See documents ST 11047/21, ST 11047/21 ADD 1 and ST 11047/21 ADD 1 COR 1 at http://register.consilium.europa.eu.

<sup>&</sup>lt;sup>3</sup> See documents ST 13383/1/23, 13383/23 REV 1 and ST 13383/1/23 ADD 1 REV 1 at http://register.consilium.europa.eu.

<sup>&</sup>lt;sup>4</sup> See documents ST 14663/24 and ST 14663/24 ADD 1 REV 2 at http://register.consilium.europa.eu.

(4) Czechia has explained that 16 measures have been amended to implement better alternatives in order to achieve the original ambition of the measure. This concerns target 65 under investment 11 (Digital Regulatory sandbox in line with EU priorities) under component 1.4 (Digital Economy and Society, Innovative Start-Ups and New Technology), target 69 under investment 1 (European and national Digital Innovation Hubs) and target 70 under investment 2 (European Reference Testing and Experimentation facility) under component 1.5 (Digital Transformation of Enterprises), milestone 73 and target 74 under reform 1 (Implementation of the new construction law and zoning law into practice), milestone 75 under investment 1 (Creation of a new central information system ('AIS')) and milestone 76 under investment 2 (Development and use of public administration data in spatial planning) under component 1.6 (Acceleration and Digitalisation of the Building Process), targets 81 and 82 under reform 1 (Creating alternatives to energy- and spatial-intensive road transport) under component 2.1 (Sustainable Transport), investment 2 (Rainwater Management in urban agglomerations) under component 2.9 (Promotion of Biodiversity and Fight Against Drought), targets 189, 190 and 191 under investment 2 (Increasing the capacity of childcare facilities) and targets 195, 196 and 197 under investment 3 (Development and modernisation of social care infrastructure) under component 3.3 (Modernisation of Employment Services and Labour Market Development), target 201, milestone 349 and target 350 under investment 1 (Development of a new line of quasi-equity and green loan instruments supporting entrepreneurship) under component 4.2 (New Quasi-Equity Instruments for the Promotion of Entrepreneurship and Development of Czech-Moravian Guarantee and Development Bank (ČMZRB) as a National Development Bank),

target 234 under investment 2 (Rehabilitation care for patients recovering from critical conditions) under component 6.1 (Increasing Resilience of the Health System), milestones 302 and 303 under reform 2 (Accelerating and digitalizing permitting process for renewables) under component 7.1 (Renewable Energy and Electricity Infrastructure (REPowerEU)), milestone 318 under reform 1 (One-stop-shops for energy communities and energy efficiency renovations) under component 7.3 (Comprehensive Reform of the Renovation Wave Advice in the Czech Republic) and milestone 335 under reform 4 (Enabling conditions for zero-emission alternative fuels infrastructure) and target 338 under investment 1 (Scaled up measure: Aid for purchase of vehicles – zero-emission vehicles for private companies) under component 7.5 (Decarbonisation of Road Transport). On this basis, Czechia has requested that the implementation timeline for target 65 be extended, that the measure description of that target be further specified and that the implementation timeline for milestone 303 be extended. Furthermore, Czechia has requested that milestones 75 and 76 and targets 189 and 197 be removed. Furthermore, Czechia has requested that the scope of services of targets 69 and 70 be extended by enabling the provision of further services and that its measure description be adjusted accordingly. Furthermore, Czechia has requested that the description of milestone 302 and the indicator of milestone 318 with the national regulatory framework be aligned. Furthermore, Czechia has requested that the requirements in milestone 73, target 74 and in their respective measures' descriptions be streamlined. Furthermore, Czechia has requested that the unit of measurement and descriptions of targets 81 and 82, including their measure description, be adjusted. Furthermore, Czechia has requested that the focus of targets 190 and 191 and their measure description be shifted to new pre-school facilities. Furthermore, Czechia has requested that targets 195 and 196 be merged and that the measure description be adjusted accordingly. Furthermore, Czechia has requested that the nature of the financial instrument reflected in target 201 be altered, that milestone 349 and target 350 be added and that the underlying measure description be amended accordingly.

Furthermore, Czechia has requested that the scope of target 234 and its measure description be extended. Furthermore, Czechia has requested that the action under milestone 335 and in its related measure description be replaced. Furthermore, Czechia has requested that the focus of target 338 and its measures description be shifted to vehicles. Furthermore, Czechia has requested that the measure description of investment 2 under component 2.9 be amended. The Council Implementing Decision of 8 September 2021 should be amended accordingly.

(5) Czechia has explained that five measures have been amended to implement better alternatives in order to increase the ambition of those measures. This concerns milestone 43 and target 44 of investment 3 (Supporting the development of 5G mobile infrastructure in rural investment-intensive white areas) under component 1.3 (High-Capacity Digital Networks), milestone 258 under investment 2 (Improvement of the management system for digitalised services) under component 1.7 (Digital Transformation of Public Administration), targets 117 under investment 2 (Building infrastructure -Recharging points for private companies), and target 119 under investment 4 (Investment 4: Aid for purchase of vehicles – vehicles (electric, H2,) for private companies) under component 2.4 (Clean Mobility), and targets 282 and 283 under reform 3 (Financial support for the preparation of projects in line with EU objectives) under component 4.1 (Systemic Support for Public Investment). On this basis, Czechia has requested that the level of ambition for the implementation of milestone 43 and targets 44, 117 and 119 be increased. Furthermore, Czechia has requested that targets 282 and 283 be merged and that the number of supported projects under the measure be increased. Czechia has also requested that the scope of milestone 258 be extended by increasing the number of activities to be implemented. The Council Implementing Decision of 8 September 2021 should be amended accordingly.

(6) Czechia has explained that 45 measures have been amended to implement better alternatives that allow the administrative burden to be reduced while still achieving the objectives of those measures. This concerns target 5 under reform 2 (eHealth), milestone 9 and target 10 under investment 1 (Digital services for end users), milestone 11 and target 245 under investment 2 (Development of open data and a public data fund) under component 1.1 (Digital Services to Citizens and Businesses), milestone 21 under investment 2 (Development of core registries and facilities for eGovernment), milestone 28 under reform 2 (Development of systems supporting eHealth), target 31 under investment 4 (Creating the conditions for digital justice), target 248 under investment 5 (Top-up of cybersecurity investment) and target 249 under investment 6 (Development of information systems in social area) under component 1.2 (Digital Public Administration Systems), targets 36 and 37 under reform 2 (Supporting the development of the 5G ecosystem), target 38 under investment 1 (Building high-capacity connection), and milestone 45 and target 46 under investment 4 (Scientific research activities related to the development of 5G networks and services) under component 1.3 (High-Capacity Digital Networks), milestone 47 under reform 1 (Institutional reform of the system of management for digital transformation including RIS 3 strategy), target 49 under reform 2 (Joint Strategic Technologies Support and Certification Group with the Strategic Technologies Board), target 60 under investment 8 (Fostering entrepreneurship and innovative firms) and milestone 66 under investment 12 (Building quantum communication infrastructure) under component 1.4 (Digital Economy and Society, Innovative Start-Ups and New Technology), target 71 under investment 3 (Digital transformation of manufacturing and nonproduction companies and increase of their resilience) under component 1.5 (Digital Transformation of Enterprises), target 261 under investment 3 (Improving the environment Support for (railway infrastructure support)),

target 106 under investment 2 (Improving the energy efficiency of public lighting systems) under component 2.2 (Reducing Energy Consumption in the Public Sector), target 112 under investment 1 (Development of new photovoltaic energy sources) under component 2.3 (Transition to Cleaner Energy Sources), investment 1 (Renovation and revitalisation of buildings for energy savings) under component 2.5 (Building Renovation and Air Protection), target 133 under investment 1 (Flood protection), targets 137 and 138 under investment 3 (Land consolidation) and target 141 under investment 4 (Building forests resilient to climate change) under component 2.6 (Nature Protection and Adaptation to Climate Change), milestone 148 under investment 1 (Building recycling infrastructure) under component 2.7 (Circular Economy, Recycling and Industrial Waste), milestone 160 under reform 1 (Amendment to the Water Management Act), and milestone 165 and targets 166 and 167 under investment 4 (Adaptation of aquatic, non-forest and forest ecosystems to climate change) under component 2.9 (Promotion of Biodiversity and Fight Against Drought), investment 1 (Concessional loan facility), investment 2 (Subordinated loans facility) and investment 3 (Co-Investment Facility) under component 2.10 (Affordable Housing), milestone 170 under investment 1 (Implementation of the revised curriculum and digital skills of teachers) under component 3.1 (Innovation in Education in the Context of Digitalisation), target 181 and milestone 182 under reform 2 (Support of disadvantaged schools) under component 3.2 (Adaptation of School Programmes), milestones 185 and 188 under reform 1 (Development of labour market policies), milestone 276 under reform 4 (Reform in the care of the children at risk) and target 187 under investment 1 (Development of labour market policies) under component 3.3 (Modernisation of Employment Services and Labour Market Development), target 218 and milestone 220 under reform 1 (Legislative reform introducing multi-source financing of cultural institutions and registration of artists),

target 221 under investment 2 (Digitalisation of cultural and creative sectors) and target 222 under investment 3 (Creative vouchers) under component 4.5 (Development of the Cultural and Creative Sector), targets 306 and 307 and milestone 308 under reform 3 (Improving the predictability, transparency and availability of grid connection process) under component 7.1 (Renewable Energy and Electricity Infrastructure (REPowerEU)), milestone 310 under reform 3 (Electricity Data Centre), milestones 313 and 314 under reform 1 (Energy communities) and milestone 316 under reform 2 (Energy Storage and Non fossil flexibility framework) under component 7.2 (Supporting decentralisation and digitalisation of the energy sector (REPowerEU)), target 327 under investment 1 (Sustainable and Green Transition Strategies) under component 7.4 (School Adaptation -Promoting Green Skills and Sustainability in Universities (REPowerEU)), milestone 332 under reform 2 (Tax measures in support of zero-emission mobility), under component 7.5 (Decarbonisation of Road Transport), milestone 342 under reform 1 (Single environmental opinion) and milestone 344 and targets 345 and 346 under reform 2 (Renewable acceleration areas) under component 7.7 (Simplifying Environmental Permitting Process and Defining Areas for the Development of Renewable Energy Sources (REPowerEU)). On this basis, Czechia has requested that target 248 be decreased and that milestone 165 and its measure description be further specified. Furthermore, Czechia has requested that targets 166 and 167 be removed. Furthermore, Czechia has requested that the requirements and scope of milestones 9 and 310 and targets 49, 249 and 342 and their respective measure descriptions be further specified. Furthermore, Czechia has requested that duplications be removed and that the scope of target 71 and milestone 170 and their respective measure descriptions be broadened. Furthermore, Czechia has requested that the wording of milestone 148, milestones 185 and 188 and their measure description be revised to reflect appropriate legal terminology.

Furthermore, Czechia has requested that the implementation timeline for and the wording with the applicable legal framework of milestone 344 and targets 345 and 346 and their measure descriptions be extended and aligned. Furthermore, Czechia has requested that duplications in targets 306, 307 and 308 be removed. Furthermore, Czechia has requested that the requirements of milestones 313 and 314 be specified and that the wording of those milestones be aligned with the applicable regulatory framework. Furthermore, Czechia has requested that the target groups of target 187 and target 181 together with its measure description be better specified. Furthermore, Czechia has requested that the terminology of milestones 21 and 28 and their respective measure descriptions be aligned with the applicable technical terms and that unrelated parts of those milestones and their respective measure descriptions be removed. Furthermore, Czechia has requested that overlapping requirements of targets 36 and 37 and their measure description be clarified. Furthermore, Czechia has requested that inconsistencies of milestone 45, target 46 and their respective measure description be simplified and removed. Furthermore, Czechia has requested that target 218 and milestone 220 be better delineated and that their measure descriptions be merged. Furthermore, Czechia has requested that ambiguities of targets 137 and 138 and their measure description be eliminated and that those targets and their measure description be simplified. Furthermore, Czechia has requested that the target groups of investments 1, 2 and 3 under component 2.10 be adjusted. Furthermore, Czechia has requested that the indicator of milestone 11 be simplified. Furthermore, Czechia has requested that the implementation timeline for milestone 66 and its measure description be extended and that that milestone and its measure description be further specified.

Furthermore, Czechia requested that the implementation timeline for target 261 and for related part of the measure be extended. Furthermore, Czechia has requested that the scope of target 245 be extended and better delineated from the preceding milestone. Furthermore, Czechia has requested that milestone 332 be simplified. Furthermore, Czechia has requested that the baseline of target 31 be clarified. Furthermore, Czechia has requested that the indicator of target 38 and milestone 182 be specified. Furthermore, Czechia has requested that the type of decision required in target 106 be better delineated from the preceding milestone and clarified. Furthermore, Czechia has requested that target 141 be better delineated from the preceding milestone. Furthermore, Czechia has requested that the parts not related to the requirements of milestone 160 be removed. Furthermore, Czechia has requested that the reference to the budgetary amount of target 221 be removed. Furthermore, Czechia has requested that the wording with the applicable technical terms be aligned and that the baseline of target 5 and its measure description be clarified. Furthermore, Czechia has requested the baseline of target 10 be clarified. Furthermore, Czechia has requested that those parts not related to the requirements of milestone 47 and its measure description be removed. Furthermore, Czechia has requested that the group of recipients of target 60 and its measure description be specified. Furthermore, Czechia has requested that the scope of target 112 and that its measure description be broadened. Furthermore, Czechia has requested that overlapping requirements of targets 36 and 37 and that their measure description be clarified. Furthermore, Czechia has requested that the requirements with the nature and size of projects under target 133 and its measure description be aligned.

Furthermore, Czechia has requested that further possible exemptions under milestone 276 and its measure description be included. Furthermore, Czechia has requested that the scope of target 222 be broadened and that unrelated parts of that target and its measure description be removed. Furthermore, Czechia has requested that a requirement of milestone 316 and its measure description be moved to another measure. Furthermore, Czechia has requested that the wording of that target and its measure description be aligned. Furthermore, Czechia has requested that unrelated parts of the measure description be aligned. Furthermore, Czechia has requested that parts of the measure description of investment 1 under component 2.5 be removed and that that measure description be further specified. The Council Implementing Decision of 8 September 2021 should be amended accordingly.

(7)Following the removal of measures under Article 21 of Regulation (EU) 2021/241, Czechia has further requested to use the resources freed up by the removal of measures and decrease in the level of their implementation to add one new measure and increase the level of implementation of six measures. This concerns target 24 under investment 3 (Cybersecurity) under component 1.2 (Digital Public Administration Systems), milestone 77 under investment 3 (Reaping the benefits of digitising in the area of spatial planning and construction policy) under component 1.6 (Acceleration and Digitalisation of the Building Process), target 347 under reform 1 (The Act on Data Management and Controlled Access to Data) under component 1.7 (Digital Transformation of Public Administration), target 348 under investment 1 (Application of modern technologies to railway infrastructure) under component 2.1 (Sustainable Transport), target 164 under investment 3 Management of Natura 2000 sites and protected species of plants and animals) under component 2.9 (Promotion of Biodiversity and Fight Against Drought), targets 215, 216 and 289 under reform 1 (Increase efficiency, pro-client orientation and use of the principles of evidence-based decision-making in public administration) under component 4.4 (Enhancing the Efficiency of Public Administration) and target 299 under investment 1 (Construction, refurbishment and upgrade of distribution networks) under component 7.1 (Renewable energy and electricity infrastructure (REPowerEU)). On this basis, Czechia has requested that targets 347 and 348 be added. Furthermore, Czechia has requested that targets 215, 216 and their measure description be simplified and that duplications be removed. It has also requested that the level of required implementation of target 24, milestone 77, targets 164, 289 and target 299 be increased. The Council Implementing Decision of 8 September 2021 should be amended accordingly.

- Czechia has explained that milestone 17 under investment 1 (Development of information systems) under component 1.2 (Digital Public Administration Systems) is totally no longer achievable, because of legislative changes hindering the implementation. On this basis,
  Czechia has requested that the aforementioned milestone be removed. The Council Implementing Decision of 8 September 2021 should be amended accordingly.
- Czechia has explained that milestone 251, target 252 and milestone 253 under investment 13 (Fund for the development of strategic technologies) under component 1.4 (Digital Economy and Society, Innovative Start-Ups and New Technology) are totally no longer achievable, because of the budget implications of flood reconstructions. On this basis, Czechia has requested that the aforementioned milestones and target be removed. The Council Implementing Decision of 8 September 2021 should be amended accordingly.
- (10) Czechia has explained that target 40 under investment 2 (Covering 5G corridors and promoting the development of 5G) under component 1.3 (High-Capacity Digital Networks) is partially no longer achievable, because of the lack of applications from market participants. On this basis, Czechia has requested that the aforementioned target be decreased. The Council Implementing Decision of 8 September 2021 should be amended accordingly.

- (11) Czechia has explained that targets 103 and 104 under investment 1 (Improving the energy performance of state buildings) under component 2.2 (Reducing Energy Consumption in the Public Sector), target 151 under investment 2 (Circular solutions in businesses) under component 2.7 (Circular Economy, Recycling and Industrial Water), targets 277, 278 and 279 under investment 4 (Development and modernisation of infrastructure in the field of care for children at risk) under component 3.3 (Modernisation of Employment Services and Labour Market Development) and target 219 under investment 1 (Development of regional cultural and creative sectors) under component 4.5 (Development of the Cultural and Creative Sector) are partially no longer achievable, because of the low interest in the calls published. On this basis, Czechia has requested that the aforementioned targets be decreased. The Council Implementing Decision of 8 September 2021 should be amended accordingly.
- (12) Czechia has explained that target 155 under investment 1 (Investment aid for regeneration of specific brownfield sites) under component 2.8 (Brownfield Revitalisation) is partially no longer achievable, because of the pending procedure of independent authorities. On this basis, Czechia has requested that the implementation timeline for the aforementioned target be extended. The Council Implementing Decision of 8 September 2021 should be amended accordingly.

- (13) Czechia has explained that target 180 under investment 1 (Development of selected key academic sites) under component 3.2 (Adaptation of School Programmes) is partially no longer achievable, because of time constraints resulting from recently discovered archaeological remains and related research in the construction area. On this basis, Czechia has requested that the implementation of the aforementioned target be decreased. The Council Implementing Decision of 8 September 2021 should be amended accordingly.
- (14) Czechia has explained that milestone 311 under reform 3 (Electricity Data Centre) under component 7.2 (Supporting decentralisation and digitalisation of the energy sector (REPowerEU)) is partially no longer achievable, because of technological constraints related to IT services. On this basis, Czechia has requested that the implementation of the aforementioned milestone be decreased. The Council Implementing Decision of 8 September 2021 should be amended accordingly.
- (15) The Commission considers that the reasons put forward by Czechia justify the amendment(s) pursuant to Article 21(2) of Regulation (EU) 2021/241. The Council Implementing Decision of 8 September 2021 should be amended accordingly.

## Distribution of milestones and targets

(16) The distribution of milestones and targets in instalments should be amended to take into account the amendments to the RRP and the indicative timeline presented by Czechia.

#### Commission's assessment

(17) The Commission considers that the amendments put forward by Czechia do not affect the positive assessment of the RRP set out in the Council Implementing Decision of 8 September 2021 regarding the relevance, effectiveness, efficiency and coherence of the RRP against the assessment criteria laid down in Article 19(3) of Regulation (EU) 2021/241, points (a), (b), (c), (d), (da), (db), (g), (h), (j) and (k).

#### Contribution to the green transition including biodiversity

(18) In accordance with Article 19(3), point (e), of and Annex V, criterion 2.5, to Regulation (EU) 2021/241, the amended RRP contains measures that contribute to a large extent (rating A) to the green transition, including biodiversity, or to addressing the challenges resulting therefrom. The measures supporting climate objectives account for an amount which represents 43.2 % of the amended RRP's total allocation and 98.6 % of the total estimated costs of measures in the REPowerEU chapter calculated in accordance with the methodology set out in Annex VI to Regulation (EU) 2021/241. In accordance with Article 17 of Regulation (EU) 2021/241, the amended RRP is consistent with the information included in the National Energy and Climate Plan 2021-2030. (19) The amendments concerning the contribution to the green transition relate to the reallocation of financial resources among investment 1 (Application of modern technologies to railway infrastructure) under component 2.1 (Sustainable Transport), investment 1 (Improving the energy performance of state buildings) under component 2.2 (Reducing Energy Consumption in the Public Sector), investment 4 (Aid for purchase of vehicles – vehicles (electric, H2) for private companies) under component 2.4 (Clean Mobility), investment 2 (Circular solutions in businesses) under component 2.7 (Circular Economy, Recycling and Industrial Water), investment 2 (Rainwater Management in urban agglomerations), investment 3 (Management of Natura 2000 sites and protected species of plants and animals) and investment 4 (Adaptation of aquatic, non-forest and forest ecosystems to climate change) under component 2.9 (Promotion of Biodiversity and Fight Against Drought), investment 2 (Increasing the capacity of pre-school facilities), investment 3 (Development and modernisation of social care infrastructure) and investment 4 (Development and modernisation of infrastructure in the field of care for children at risk) under component 3.3 (Modernisation of Employment Services and Labour Market Development), investment 1 (Development of a new line of quasi-equity and green loan instruments supporting entrepreneurship) under component 4.2 (New Quasi-Equity Instruments for the Promotion of Entrepreneurship and Development of Czech-Moravian Guarantee and Development Bank (ČMZRB) as a National Development Bank), investment 1 (Construction, refurbishment and upgrade of distribution networks) under component 7.1 (Renewable energy and electricity infrastructure (REPowerEU)) and reform 3 (Electricity Data Centre) under component 7.2 (Supporting decentralisation and digitalisation of the energy sector (REPowerEU)). This entails no change in the overall contribution to the climate target. The limited scope of the amendments does not change the overall assessment of this criterion.

#### Contribution to the digital transition

(20) In accordance with Article 19(3), point (f), of and Annex V, criterion 2.6, to Regulation (EU) 2021/241, the amended RRP contains measures that contribute to a large extent (rating A) to the digital transition or to addressing the challenges resulting from it. The measures supporting digital objectives account for an amount which represents 22.7 % of the amended RRP's total allocation calculated in accordance with the methodology set out in Annex VII to Regulation (EU) 2021/241. (21)The amendments concerning the contribution to the green transition relate to the reallocation of financial resources among investment 4 (Digital services for end users in social area) under component 1.1 (Digital Services to Citizens and Businesses), investment 1 (Development and improving individual information systems), investment 3 (cybersecurity), investment 5 (Top-up of cybersecurity investment) and investment 6 (Development of information systems in social area) under component 1.2 (Digital Public Administration Systems), investment 2 (Covering 5G corridors and promoting the development of 5G) under component 1.3 (High-Capacity Digital Networks), investment 12 (Building quantum communication infrastructure) under component 1.4 (Digital Economy and Society, Innovative Start-Ups and New Technology), investment 4 (IPCEI Microelectronics and Communication Technologies) under component 1.5 (Digital Transformation of Enterprises), reform 1 (Implementation of the new construction law and zoning law into practice), investment 1 (Reaping the benefits of digitising in the area of spatial planning and construction policy) under component 1.6 (Acceleration and Digitalisation of the Building Process), investment 1 (Unification of domains and the creation of a learning platform), investment 3 (Creation of a public administration contact centre) and investment 4 (Creation of a central data infrastructure) under component 1.7 (Digital Transformation of Public Administration), investment 1 (Application of modern technologies to railway infrastructure) under component 2.1 (Sustainable Transport), investment 1 (Development of labour market policies) under component 3.3 (Modernisation of Employment Services and Labour Market Development) and reform 1 (Increase efficiency, pro-client orientation and use of the principles of evidence-based decision-making in public administration) under component 4.4 (Enhancing the Efficiency of Public Administration). This entails a relative increase in the overall contribution to the digital target. The limited scope of the amendments does not change the overall assessment of this criterion.

## Costing

- (22) In accordance with Article 19(3), point (i), of and Annex V, criterion 2.9, to Regulation (EU) 2021/241, the justification provided in the amended RRP on the amount of the estimated total costs of the RRP is to a medium extent (rating B) reasonable and plausible, is in line with the principle of cost efficiency and is commensurate with the expected national economic and social impact.
- (23) For the costing assessment of the original RRP in 2021, Czechia provided estimates relying on appropriate justification, evidence and methodology for the majority of the costs of the measures included in the RRP. Costing information and supporting documents were provided to a medium extent. There were no indications that the overall reasonability, plausibility and additionality of the cost estimates would be impaired. The estimated total cost of the RRP was in line with the principle of cost-efficiency and was commensurate with the expected national economic and social impact.

(24)Czechia has provided individual cost estimates for most of the amended and new investments and reforms with an associated cost included in the updated RRP, relying on a number of sources to justify them. For the updated measures, the update is either based on the same assumptions or adjusted on the basis of the results of tenders conducted for current similar projects or even the results of the tenders for the exact same project where its implementation has already started. For the newly introduced measures, the costs have been calculated using bottom-up approaches, with reference to market prices or prices of similar units in past investments for the key cost drivers, or from costs estimates derived from the costing data of similar investments carried out. As a result, cost estimates for most of the measures in the RRP are deemed reasonable. The amount of the estimated total costs of the RRP is in line with the nature and type of the envisaged reforms and investments. As a result, cost estimates for most of the measures in the RRP are deemed plausible. Czechia has provided sufficient information and evidence that the amount of the estimated total costs is not covered by existing or planned Union financing. Finally, the estimated total cost of the RRP is in line with the principle of cost efficiency and commensurate with the expected national economic and social impact.

(25) In accordance with Article 4(4) of Regulation (EU) 2024/795 of the European Parliament and of the Council<sup>5</sup>, Czechia considered as priority projects those projects that have been awarded a Sovereignty Seal pursuant to Article 4(1) of Regulation (EU) 2024/795. However, Czechia did not include any projects that have been awarded a Sovereignty Seal in the amended RRP because of the reduction of the estimated total cost of the RRP.

#### Positive assessment

(26) Following the positive assessment by the Commission of the amended 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, the reforms and investment projects necessary for the implementation of the amended RRP, the relevant milestones, targets and indicators, and the amount made available from the Union for the implementation of the amended RRP in the form of non-repayable financial support should be set out.

<sup>Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP), and amending Directive 2003/87/EC and Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241 (OJ L, 2024/795, 29.2.2024, ELI: http://data.europa.eu/eli/reg/2024/795/oj).</sup> 

#### Financial contribution

(27) The estimated total cost of Czechia's amended RRP is EUR 8 859 681 267. As the amount of the estimated total cost of the amended RRP is higher than the updated maximum financial contribution available for Czechia, the financial contribution determined in accordance with Article 4a of Regulation (EU) 2021/1755 of the European Parliament and of the Council<sup>6</sup> and with Article 20(4) and Article 21a(6) of Regulation (EU) 2021/241 that is allocated for Czechia's amended RRP should be equal to EUR 8 409 179 142. Therefore, the financial contribution made available to Czechia remains unchanged.

Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve (OJ L 357, 8.10.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1755/oj).

#### Loans

(28)In order to support additional reforms and investments, a total loan support of EUR 818 136 635 was made available to Czechia by means of Council Implementing Decision of 17 October 2023. Following the removal of investment 13 (Fund for the development of strategic technologies) under component 1.4 (Digital Economy and Society, Innovative Start-Ups and New Technology) and the removal of milestone 246 under investment 4 (Digital services for end users in social area) under component 1.1 (Digital Services to Citizens and Businesses), target 249 under investment 6 (Development of information systems in social area) under component 1.2 (Digital Public Administration Systems) and target 255 under investment 4 (IPCEI Microelectronics and Communication Technologies) under component 1.5 (Digital Transformation of Enterprises) and the decrease in the implementation of target 248 under investment 5 (Top-up of cybersecurity investment) under component 1.2 (Digital Public Administration Systems) under Article 21 of Regulation 2021/241, Czechia has not requested to use the freed-up loan resources to support new measures or to increase the level of implementation of existing measures within the RRP. The amount of the estimated total costs of the RRP is lower than the combined financial contribution available for Czechia and the loan support that had been made available to Czechia by means of Council Implementing Decision of 17 October 2023. Therefore, the total loan support made available to Czechia should be reduced to EUR 448 441 580.

(29) The Council Implementing Decision of 8 September 2021 should therefore be amended accordingly. For the sake of clarity, the Annex to the Council Implementing Decision of 8 September 2021 should be replaced entirely,

HAS ADOPTED THIS DECISION:

#### Article 1

The Council Implementing Decision of 8 September 2021 on the approval of the assessment of the recovery and resilience plan for Czechia is amended as follows:

(1) Article 1 is replaced by the following:

# *Article 1 Approval of the assessment of the RRP*

The assessment of the amended RRP of Czechia 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 and the additional milestones and targets related to the payment of the loan, 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 2a, paragraph 1 is replaced by the following:
  - '1. The Union shall make available to Czechia a loan amounting to a maximum of EUR 448 441 580.';
- (3) the Annex is replaced by the text set out in the Annex to this Decision.

## Article 2

This Decision is addressed to the Czech Republic.

Done at ..., ...

For the Council The President