Council of the European Union

Brussels, 27 June 2024
(OR. en)

11673/24

Interinstitutional File: 2024/0151(NLE)

ECOFIN 771
UEM 187
FIN 636
CADREFIN 115

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	27 June 2024
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2024) 277 final
Subject:	Proposal for a COUNCIL IMPLEMENTING DECISION amending Implementing Decision (EU) (ST 10158/21 INIT; ST 10158/21 ADD 1) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Germany

Delegations will find attached document COM(2024) 277 final.

Encl.: COM(2024) 277 final

EUROPEAN
COMMISSION

Brussels, 27.6.2024
COM(2024) 277 final

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amending Implementing Decision (EU) (ST 10158/21 INIT; ST 10158/21 ADD 1) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Germany

{SWD(2024) 164 final}

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amending Implementing Decision (EU) (ST 10158/21 INIT; ST 10158/21 ADD 1) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Germany

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 20(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) Following the submission of the national recovery and resilience plan ('RRP') by Germany on 28 April 2021, the Commission proposed its positive assessment to the Council. The Council approved the positive assessment by means of the Council Implementing Decision of 13 July 2021[2]. The Council Implementing Decision was amended on 14 February 2023 and 8 December 2023.

(2) On 30 April 2024, Germany submitted a modified national RRP, including a REPowerEU chapter in accordance with Article 21c of Regulation (EU) 2021/241, to the Commission.

(3) On 30 April 2024, Germany also made a reasoned request to the Commission to make a proposal to amend the Council Implementing Decision of 13 July 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, Germany has submitted a modified RRP. The submission of the modified RRP including a REPowerEU chapter followed a consultation process, conducted in accordance with the national legal framework, involving local and regional authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders. The summary of the consultations was submitted together with the modified national RRP. Pursuant to Article 19 of Regulation (EU) 2021/241, the Commission assessed the relevance, effectiveness, efficiency, and coherence of the modified RRP, in accordance with the assessment guidelines set out in Annex V to that Regulation.

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

[2] See documents ST 10158/21 and ST 10158/21 ADD 1 at http://register.consilium.europa.eu.

Amendments based on Article 21 of Regulation 2021/241

(4) The amendments to the RRP submitted by Germany because of objective circumstances concern eight measures.

(5) Germany has explained that two measures are partially no longer achievable in the given implementation timeline due to lack of skilled IT staff. The shortage of IT professionals increased significantly after the COVID 19 pandemic by the end of 2022. The increased demand for IT professionals across various sectors led to increased employer competition and presented a challenge for IT providers to scale up services. This concerns, respectively target 102 of investment 5.1.2 (Programme to future-proof hospitals) under component 5.1 (Strengthening of a pandemic-resilient health system) and target 113 of reform 6.1.2 (Digitalisation of administration-implementation of the Online Access Act) under component 6.1 (Modern Public Administration). On this basis, Germany has requested to extend the implementation timeline of target 102 amend target 113 and add a target 113A to postpone the part that is no longer achievable within the given implementation deadline. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(6) Germany has explained that one target is no longer achievable within the given implementation timeline due to increased IT security requirements related to Russia's war of aggression in Ukraine. This concerns target 85 of investment 3.1.4 (Modernisation of the Federal Armed Forces' educational and training facilities) under component 3.1 (Digitalisation of education). On this basis, Germany has requested to extend the implementation timeline of target 85. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(7) Germany has explained that one measure is partially no longer achievable due to lower-than-expected demand for support due to the improved apprenticeship market situation and the unexpected apprenticeship support provided by the private sector itself. This concerns target 91 of investment 4.1.3 (Apprenticeship support) under component 4.1 Strengthening of social inclusion. On this basis, Germany has requested to decrease the disbursement target 91 as well as the cost of the measure. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(8) Germany has explained that one measure is partially no longer achievable due to the delayed publication of the implementing regulation in accordance with Art. 14 of the EU Single Digital Gateway Regulation (SDG Regulation), determining the necessary technical specifications for a national uniform technical architecture. Anew nationwide IT architecture also had to be created to develop adequate IT infrastructure. This concerns target 115 and target 116 of reform 6.1.3 (Digitalisation of the administration - modernisation of registers) under component 6.1 Modern Public Administration. On this basis, Germany has requested to extend the implementation timeline for target 115 and to extend the implementation timeline as well as to modify target 116. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(9) Germany has explained that for two measures better alternatives for their implementation exist in order to achieve the original ambition of the measure. Target 48A and 48B are added to investment 1.3.3 (Building renovation: federal funding for energy efficient buildings) under component 1.3 Climate friendly renovation and construction. The delay related to the implementation of a better alternative concerns target 109 and 110 of reform 6.1.1 European identity ecosystem under component 6.1. (Modern public administration). On this basis, Germany has requested to add target

48A and 48B as well as to extend the implementation timeline for target 109 and target 110. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(10) Germany has explained that one measure is partially no longer achievable because some of the contractors were unexpectedly not able to fulfil their obligations. This concerns target 43 of investment 1.3.1 (Support programme for the development of a climate-friendly timber construction sector). On this basis, Germany has requested to decrease the goal of target 43. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(11) The Commission considers that the reasons put forward by Germany justify the amendment pursuant to Article 21(2) of Regulation (EU) 2021/241, and the Council Implementing Decision of 13 July 2021 should be amended accordingly.

(12) The distribution of milestones and targets in instalments should be modified to take into account the new REPowerEU allocation, the amendments to the plan and the indicative timeline presented by Germany.

Corrections of clerical errors

(13) 21 clerical errors have been identified in the text of the Council Implementing Decision of July 2021, affecting 30 milestones/targets and 21 measures of 9 components. The Council Implementing Decision should be amended to correct those clerical errors that do not reflect the content of the RRP submitted to the Commission on 28 April 2021, as agreed between the Commission and Germany. Those clerical errors relate to: target 2 of investment 1.1.1 (Hydrogen projects within the framework of IPCEIs); target 8, target 9 and target 10 of investment 1.1.2 (Support programme for decarbonisation of industry); target 11 as well as 13 of investment 1.1.3 (Pilot scheme for climate action contracts based on the principle of Carbon Contracts for Difference); target 15 of investment 1.1.4 (Project-related climate protection research); target 17, target 18 and target 20 of investment 1.1.5 (Flagship projects for research and innovation in the context of the National Hydrogen Strategy) as well as target 21c of investment 1.1.6 (Federal support for efficient heat networks) under component 1.1 (Decarbonisation using renewable hydrogen in particular); target 23 of investment 1.2.1 (Support for the construction of charging infrastructure) target 29, target 30 and 30A of investment 1.2.3 (Support for the replacement of the private fleet) as well as under component 1.2. (Climate friendly mobility); milestone 56 of investment 2.1.3 (IPCEI Next Generation Cloud Infrastructure and Services (IPCEI CIS)) under component 2.1 (Data as the raw material of the future); target 66 and target 69 of investment 2.2.3 (Digitalisation and Technology Research Centre of the Bundeswehr) under component 2.2 (Digitalisation of the economy) as well as milestone 70, milestone 71, milestone 72 and milestone 72A of investment 2.2.4 (Promoting the digitalisation of rail by replacing conventional interlocking/fast-track programmes to speed up the roll-out of the 'Digital Rail Germany'(SLP) under component 2.2 (Digitalisation of the economy); target 77 of investment 3.1.2 (Education platform) as well as target 80 of investment 3.1.3 (Education centres of excellence) under component 3.1 Digitalisation of Education; target 87 and target 88 of investment 4.1.1 (Investment programme 'Childcare -financing 2020/21) and milestone 97 of reform 4.1.5 (Digital pension overview) of component 4.1 Strengthening of social inclusion ;target 106 of investment 5.1.3 (Special programme to accelerate research and development of urgently needed vaccine against SARS-COV-2) under component 5.1

(Strengthening of a pandemic-resilient healthcare system) as well as target 117 of reform 6.2.1 (Joint programme of the federal government and the Länder for an efficient administration that benefits citizens and the businesses) under component 6.2 (Reduction of barriers to investment). Furthermore, clerical errors relate to the description of investment 1.1.1 (Hydrogen projects within the framework of IPCEIs) and the description of investment 1.1.3 (Pilot scheme for climate action contracts based on the principle of Carbon Contracts for Difference) under component 1.1. Decarbonisation using renewable hydrogen in particular; the description of investment 1.2.3 (Support for the replacement of the private fleet) of component 1.2 (Climate friendly mobility); the description of investment 1.3.1 (Support programme for the development of a climate-friendly timber construction) under component 1.3 (Climate-friendly renovation and construction); the description of investment 2.1.2 (IPCEI Microelectronics and Communication Technologies) as well as the description of investment 2.1.3 (IPCEI Next Generation Cloud Infrastructure and Services (IPCEI CIS)) under component 2.1 (Data as the raw material of the future); the description of investment 2.2.4 (Promoting the digitalisation of rail by replacing conventional interlocking/fast-track programmes to speed up the roll-out of the 'Digital Rail Germany' (SLP)) under component 2.2 (Digitalisation of the Economy) and the description of investment 3.1.1 (programme for teacher devices) under component 3.1 (Digitalisation of education); the description of reform 4.1.4 (Education support for students with learning backlog) of component 4.1 (Strengthening of social inclusion). Those corrections do not affect the implementation of the measures concerned.

The REPowerEU chapter based on Article 21c of Regulation(EU) 2021/241

(14) The REPowerEU chapter includes two new reforms and two new investments. The "Wind Energy on Land Act" and "Offshore Wind Energy Act" reforms contribute to expanding renewable energy capacity by improving and streamlining regulatory procedures. The investment in a support programme for light-and heavy-duty-zero emission transport vehicles and associated infrastructure promotes the procurement of climate-friendly commercial vehicles and the development of requisite refuelling and charging infrastructure. Finally, the investment in a digital platform to accelerate planning and approval concentrates on expediting the planning and approval processes for hydrogen infrastructure projects, utilising digital platforms to streamline administrative procedures. Altogether, these measures under the REPowerEU chapter are designed to enhance energy infrastructure and meet immediate security or supply needs. Investments in wind energy and hydrogen infrastructure not only support the diversification of energy sources but also strengthen the resilience and reliability of Germany's energy system. The establishment of a diverse, reliable, and renewable energy supply will lead to the stabilisation of energy costs, thereby conferring advantages upon both consumers and producers across the economy. Considering that vulnerable groups tend to allocate a greater share of their income towards essential commodities like energy, any increase in prices disproportionately impacts these groups. Therefore, these reforms and investments can help mitigate price fluctuations in energy, yielding substantial benefits to the most vulnerable communities. The REPowerEU chapter also includes scaled-up measures affecting measure 1.3.3 'Building renovation: federal funding for energy-efficient buildings' under component 1.3 'Climate-friendly renovation and construction'.

Commission's assessment

(15) The Commission has assessed the modified RRP including the REPowerEU chapter against the assessment criteria laid down in Article 19(3) of Regulation 2021/241.

Balanced response contributing to the six pillars

(16) In accordance with Article 19(3), point (a), of and Annex V, criterion 2.1, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter represents to a large extent (Rating A) a comprehensive and adequately balanced response to the economic and social situation, thereby contributing appropriately to all of the six pillars referred to in Article 3 of that Regulation, taking into account the specific challenges faced by and the financial allocation for the Member State concerned.

(17) The original RRP presented a comprehensive and adequately balanced response to the economic and social situation, thereby contributing to all of the six pillars referred to in Article 3 of Regulation (EU) 2021/241, taking into account the specific challenges and the financial allocation of Germany.

(18) The Commission considers that the modification of the RRP along with the REPowerEU chapter significantly impacts the assessment of the contribution of the RRP to the first pillar on the green transition, where the contribution increases considerably. Notably, the proposed reforms increase the share of renewables in the German energy mix, and the investments increase the energy efficiency of buildings, contribute to the decarbonisation of freight road transport and facilitate approval procedures for a core hydrogen grid. The allocation for digital expenditure is reduced marginally. For the other pillars, the nature and extent of the proposed modifications to the RRP do not have an impact on the previous assessment of the RRP as they represent to a large extent a comprehensive and adequately balanced response to the economic and social situation, and on its appropriate contribution to all of the six pillars referred to in Article 3 of Regulation (EU) 2021/241.

Addressing all or a significant subset of challenges identified in country-specific recommendations

(19) In accordance with Article 19(3), point (b), of and Annex V, criterion 2.2, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to contribute to effectively addressing all or a significant subset of challenges (Rating A) identified in the relevant country-specific recommendations addressed to Germany, including fiscal aspects thereof, or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester. In particular, the modified RRP takes into account the energy-related country-specific recommendations of 2022 and 2023.

(20) In particular, the modified RRP including the REPowerEU chapter takes into account in the overall assessment the energy-related country-specific recommendations of 2022 and 2023 formally adopted by the Council prior to the assessment of the modified plan by the Commission.

(21) Having assessed progress in the implementation of all relevant country-specific recommendations at the time of submission of the modified national RRP, the Commission finds that substantial progress has been achieved with respect to the 2019 recommendation 2.5 on strengthening the conditions that support higher wage growth.

(22) The modified RRP including the REPowerEU chapter includes an extensive set of mutually reinforcing reforms and investments that contribute to effectively addressing

all or a significant subset of the economic and social challenges outlined in the country-specific recommendations addressed to Germany by the Council in the context of the European Semester, notably to reducing investment bottlenecks and modernisation of the public administration as well as reforms and investments to accelerate the green and digital transition. It also contributes to addressing challenges related to education, labour market participation, labour taxation and social policy. By addressing the aforementioned challenges, the modified RRP is expected to also contribute to correcting the imbalances, as identified in recommendations made pursuant to Article 6 of Regulation (EU) No 1176/2011 in 2019, 2020, 2022 and 2023, that Germany is experiencing, in particular with regard to the persistent large current account surplus that reflects also subdued investment relative to savings.

Do no significant harm

(23) In accordance with Article 19(3), point (d), of and Annex V, criterion 2.4, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to ensure that no measure (Rating A) for the implementation of reforms and investments projects included in this RRP does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council[3] (the principle of 'do no significant harm').

(24) The changes introduced by the revision of the RRP, with the modification of existing measures or the introduction of new measures, do not affect the positive assessment carried out for the original RRP regarding this assessment criterion. With regard to the new reforms and investments introduced in the REPowerEU chapter, Germany provided a systematic assessment of each measure against the principle of 'do no significant harm' in line with the Do No Significant Harm Technical Guidance (2021/C58/01). The information provided allows to conclude that the modified RRP is expected to ensure that no measure does significant harm.

Contribution to the REPowerEU objectives

(25) In accordance with Article 19(3), point (da), of and Annex V, criterion 2.12, to Regulation (EU) 2021/241, the REPowerEU chapter is expected to effectively contribute to a large extent (Rating A) to energy security, the diversification of the Union's energy supply, an increase in the uptake of renewables and in energy efficiency, an increase of energy storage capacities or the necessary reduction of dependence on fossil fuels before 2030.

(26) The REPowerEU chapter effectively contributes to boosting energy efficiency in buildings, increasing the uptake of renewable or fossil-free hydrogen, and accelerating the deployment of renewable energy in line with Article 21c (3), point (b), of Regulation (EU) 2021/241.

(27) In addition, the REPowerEU chapter contributes to incentivising reduction of energy demand through energy efficiency improvements, via the planned scaled-up investment in building renovation (federal funding for energy-efficient buildings, measure 7.1.1.), in line with Article 21c (3), point (d) of Regulation (EU) 2021/241.

[3] Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

(28) The REPowerEU chapter also contributes to addressing internal and cross-border energy transmission and distribution bottlenecks, to accelerating the integration of renewable energy sources and to supporting zero-emission transport and its infrastructure, via the planned reforms in onshore and offshore wind energy (measures 7.1.4 and 7.1.5) and the planned investment in a support programme for light- and heavy-duty zero-emission transport (measure 7.1.2), in line with Article 21c (3), point (e) of Regulation (EU) 2021/241.

(29) The REPowerEU chapter also contributes to supporting the above objectives by reducing planning and permitting bottlenecks to energy infrastructural projects, in particular hydrogen, via the planned investment in a digital permitting platform (measure 7.1.3), in line with Article 21c (3), point (f) of Regulation (EU) 2021/241.

(30) The measures in the REPowerEU chapter are therefore coherent with the efforts of Germany to achieve the objectives set out in Article 21c (3) of Regulation (EU) 2021/241. In particular, the contributions to addressing internal and cross-border energy transmission, boosting of energy efficiency in buildings, promoting the uptake renewable hydrogen and other renewable energy generation and use and zero emission transport are significant.

(31) The measures in the REPowerEU chapter are also coherent with the original RRP as REPowerEU measures build on investments in the original RRP, notably on hydrogen infrastructure and sustainable transport.

Measures having a cross-border or multi-country dimension or effect

(32) In accordance with Article 19(3), point (db), of and Annex V, criterion 2.13, to Regulation (EU) 2021/241, the measures included in the REPowerEU chapter are expected to a large extent (Rating A) to have a cross-border or multi-country dimension or effect.

(33) Within the meaning of the amended Regulation (EU) 2021/241, the measures 7.1.1 (Scale-up) of Building renovation: federal funding for energy-efficient buildings and measure 7.1.3 Digital platform to accelerate planning and approval, and therefore 100% of their estimated costs, have a cross-country or multi-country dimension or effect. A direct cross-border impact is also anticipated with the reform of the Wind Energy on Land Act (7.1.4) and the Offshore Wind Energy Act (7.1.5). These measures in the REPowerEU chapter will contribute to reducing the dependency on fossil fuels and to reducing energy demand (7.1.1). As a result, the measures, and consequently, the REPowerEU chapter as a whole, are considered as having a positive cross-border effect, as established in the Commission's guidance in the context of REPowerEU. Nearly all measures contribute to the reduction of the demand and dependency of fossil fuels. The estimated costs of the measures included in the REPowerEU chapter having a cross-border or multi-country dimension or effect represents 89.6% of the estimated total costs of the REPowerEU chapter.

Contribution to the green transition including biodiversity

(34) In accordance with Article 19(3), point (e), of and Annex V, criterion 2.5, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter, 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 49.5 % of the RRP's total allocation (including REPowerEU). The total estimated costs of

measures supporting climate objectives amount to 48.7% of the REPowerEU chapter. These shares were calculated in accordance with the methodology set out in Annex VI to that Regulation. In accordance with Article 17 of Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is consistent with the information included in the National Energy and Climate Plan 2021-2030.

(35) The modified RRP overall increases the ambition of the original RRP with regards to the green transition. The inclusion of an additional funding strand to measure 1.3.3. *Building renovation: federal funding for energy-efficient buildings* and its scale-up in the REPowerEU chapter, along with the addition of two new reforms 7.1.4 *Wind Energy on Land Act* and 7.1.5 Offshore Wind Energy Act significantly strengthen Germany's ambition in the dimensions of decarbonisation of buildings and renewable energy deployment. In addition, other dimensions such as the promotion of zero-emission road transport (investment 7.1.2 *Support programme for light-and heavy-duty-zero-emission transport and associated infrastructure*) and the facilitation of planned hydrogen infrastructure projects to achieve net greenhouse gas neutrality via a digital permitting platform (investment *Digital end-to-end platform to accelerate planning and approval*) increase its contribution to Germany's efforts towards sustainable transport and its infrastructure, as well as speeding up the approval of hydrogen infrastructural projects. Measures in the REPowerEU chapter reinforce green transition elements of the original RRP. For example, hydrogen infrastructural projects of the original RRP (component 1.1) could be accelerated through the digital permitting platform added via the REPowerEU chapter.

(36) The measures in the REPowerEU chapter significantly increase the RRP's contribution to the green transition, including biodiversity. Supported measures are expected to reduce greenhouse gas emissions and pollutants in the energy, transport, and buildings sectors. In the energy sector, the easing of application and approval for hydrogen infrastructure projects, as well as legislative reforms removing bottlenecks to the sector's transition by streamlining permitting processes of the Offshore Wind Energy Act and the Wind Energy on Land Act, contribute towards the attainment of the Union's 2030 climate and energy targets, and the 2050 climate target. The quicker roll-out of hydrogen infrastructure is an enabler towards the green transition in the transport and industrial sectors. In the transport sector, the REPowerEU chapter contributes to decarbonising the commercial fleet. Finally, in the building sector, the refurbishment measures on residential buildings and the installation of renewable heating systems will allow to diversify to more sustainable energy sources and a reduction in energy consumption. Most measures are expected to have co-benefits for biodiversity through their expected effect on decreasing the emission of air pollutants and climate change mitigation.

(37) The measures on sustainable hydrogen exemplify that reforms and investments contributing to the green transition are largely complementary and should work in conjunction with important reforms at the national level in Germany, such as the National Hydrogen Strategy. Further instances comprise the diversification of energy supplies, aimed at fortifying energy security, the increase in the supply of wind energy to help reduce electricity prices, and the programme for efficient buildings to contribute to environmental soundness, all of which align with the overarching policy objectives delineated in the National Energy and Climate Plan (NECP). The scaled-up building renovation measure also contributes to Germany's long-term renovation strategy.

Contribution to the digital transition

(38) In accordance with Article 19(3), point (f), of and Annex V, criterion 2.6, to Regulation (EU) 2021/241, the modified RRP contains measures that contribute to a large extent to the digital transition or to addressing the challenges resulting from it. The measures supporting the digital objectives account for an amount which represents 47.6% of the modified RRP's total allocation calculated in accordance with the methodology set out in Annex VII of that Regulation.

(39) The modifications proposed to the original RRP led to a slight reduction in the percentage of the RRP's total allocation supporting the digital objectives, from 48.1% to 47.5%, given the reduction in the total allocation to support apprentices (measure 4.1.3). The revised RRP continues to address the digitalisation of public administration and education, the digital transformation of health services and hospitals, two IPCEIs on cloud infrastructure and microchips, and the automotive industry's digital transition.

(40) The REPowerEU chapter is expected to contribute to the digital transition and to addressing the resulting challenges by contributing to the digitalisation of public administration in the field of infrastructure planning and approval. In accordance with Article 21c(5) of Regulation (EU) 2021/241, reforms and investments in the REPowerEU chapter are not to be taken into account when calculating the plan's total allocation for the purpose of applying the digital target requirement set by that regulation.

Lasting impact

(41) In accordance with Article 19(3), point (g), of and Annex V, criterion 2.7, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to have a lasting impact on Germany to a large extent (Rating A).

(42) The modified RRP does not reduce the ambition of the original RRP as a whole. It takes into account the economic situation during the COVID-19 crisis, supply-chain disruptions, the impact of Russia's war of aggression in Ukraine, as well as some unexpected legal and technical difficulties and the availability of better alternatives for the implementation of some measures. It also includes an additional measure for the RRP, and a new REPowerEU chapter which, in addition to the existing measures, is also expected to have lasting positive effects on the German economy and further boost its green transition. Notably, the additional measures are expected to have a lasting impact regarding the green transition, with lasting increases of the energy efficiency of the building stock, a more climate friendly vehicle stock and a facilitated rollout of renewable-based power generation both on land and sea.

Monitoring and implementation

(43) In accordance with Article 19(3), point (h), of and Annex V, criterion 2.8, to Regulation (EU) 2021/241, the arrangements proposed in the modified RRP including the REPowerEU chapter are adequate (Rating A) to ensure effective monitoring and implementation of the RRP, including the envisaged timetable, milestones and targets, and the related indicators.

(44) The arrangements proposed for the original RRP remain in place and the previous positive assessment is not affected. The coordinating body in the Federal Ministry of Finance and the line Ministries are responsible for the effective implementation of the RRP. The various arrangements set up to devise, negotiate and ensure an efficient and regular implementation of the RRP are credible in terms of the legal mandate and

administrative capacity. The milestones and targets of the RRP constitute an appropriate system for monitoring the implementation of the RRP. Milestones and targets are clear and realistic and the indicators for those milestones and targets are relevant, acceptable and robust. Milestones and targets are also relevant for measures already completed which are eligible under Article 17(2) of Regulation (EU) 2021/241. The verification mechanisms, data collection and responsibilities described by the German authorities appear sufficiently robust to justify the disbursement requests in an adequate manner upon satisfactory fulfilment of the milestones and targets.

Costing

(45) 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 modified RRP including the REPowerEU chapter 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 to the expected national economic and social impact.

(46) The costing information provided by Germany for measures with 1.3.3 energy efficiency and 4.1.3 apprenticeships and for the measures in the REPowerEU chapter, do not affect the rating B of the original RRP. Germany has provided detailed information for the scaled-up investment and for the measure with reduced costing, as well as for the three investments in the REPowerEU chapter. The estimated costs of those investments are in line with their nature and type, and they are accompanied by relevant costing evidence and analysis. The costs of the scaled-up measure related to energy efficiency renovations, of the measure related to an AI-based hydrogen platform and of the measure related to heavy duty vehicles are well justified, reasonable, plausible and do not include costs covered by other existing or planned EU financing. Finally, the estimated total cost of the RRP is in line with the principle of cost-efficiency and commensurate to the expected national economic and social impact.

Coherence of the RRP

(47) In accordance with Article 19(3), point (k), of and Annex V, criterion 2.11, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter includes to a high extent (Rating A) measures for the implementation of reforms and public investment projects that represent coherent actions.

(48) The modification amends three components and adds a new component (7.1), the REPowerEU component. The modifications made to the existing components do not alter the overall coherence of the RRP, taking into account the way the components are mutually reinforcing and complementary. The additional component related to REPowerEU's objectives adds to the overall coherence of the RRP, as it includes measures to further reinforce the reduction of greenhouse gas emissions and to promote the use of renewable energy, which is particularly important in the context of reducing dependence on fossil fuels. The modifications are mutually reinforcing and complement each other.

Any other assessment criteria

(49) The Commission considers that the amendments put forward by Germany do not affect the positive assessment of the RRP set out in the Council Implementing Decision of 13 July of 2021 on the approval of the assessment of the RRP for

Germany regarding the relevance, effectiveness, efficiency and coherence of the RRP against the assessment criteria laid down in Article 19(3), point (c) and (i)

Consultation process

(50) In preparation of the REPowerEU chapter, the German authorities indicate that consultations took place with the Länder, the social partners and welfare organizations and environmental associations as well as during a joint discussion with social partners and environmental associations. Afterwards, the authorities integrated the feedback from the consultation process into the draft REPowerEU chapter. To ensure ownership by the relevant actors, it is crucial to involve all local authorities and stakeholders concerned, including social partners, throughout the implementation of the investments and reforms included in the modified RRP including the REPowerEU chapter.

Positive assessment

(51) Following the positive assessment of the Commission concerning the modified RRP including the REPowerEU chapter, 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 modified RRP including the REPowerEU chapter, the relevant milestones, targets and indicators, and the amount made available from the Union for the implementation of the modified RRP including the REPowerEU chapter in the form of non-repayable financial support should be set out.

Financial contribution

(52) The estimated total costs of the modified RRP including the REPowerEU chapter of Germany is EUR 32 344 275 666. As the amount of the estimated total costs of the modified RRP including the REPowerEU chapter is higher than the updated maximum financial contribution available for Germany, the financial contribution calculated in accordance with Article 11 allocated for Germany's modified RRP including the REPowerEU chapter should be equal to the total amount of the financial contribution available for Germany's modified RRP including the REPowerEU chapter. This amount is equal to EUR 28 018 501 973.

(53) Pursuant to Article 21a(5) of Regulation (EU) 2021/241, on 30 April 2024 Germany submitted a request for the allocation of the revenue referred to in Article 21a (1) of that Regulation, shared between Member States on the basis of the indicators set out in the methodology in Annex IVa to Regulation (EU) 2021/241. The estimated total costs of the measures referred to in Article 21c(3), points (b) to (f) included in the REPowerEU chapter is EUR 2 444 838 075. As this amount is higher than the allocation share available for Germany, the additional non-repayable financial support available for Germany should be equal to the allocation share. This amount is equal to EUR 2 086 423 922.

(54) Additionally, in accordance with Article 4a of Regulation (EU) 2021/1755[4], on 27 February 2023 Germany submitted a reasoned request to transfer part of its remaining

[4] 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).

provisional allocation from the resources of the Brexit Adjustment Reserve to the Facility, amounting to EUR 219 739 187. That amount should be made available to support the reforms and investments in the REPowerEU chapter as additional non-repayable financial support.

(55) The total financial contribution available to Germany should be EUR 30 324 665 082.

(56) The Council Implementing Decision (ST 10158/21; ST 10158/21 ADD 1) of 13 July 2021 on the approval of the assessment of the RRP for Germany should therefore be amended accordingly. For the sake of clarity, the Annex to that Implementing Decision should be replaced entirely,

HAS ADOPTED THIS DECISION:

Article 1

The Council Implementing Decision (EU) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Germany 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 modified RRP of Germany 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 Germany a financial contribution in the form of non-repayable support amounting to EUR 30 324 665 082[5] That contribution includes:

(a) an amount of EUR 16 291 323 631 that shall be available to be legally committed by 31 December 2022;

(b) an amount of EUR 11 727 178 342 that shall be available to be legally committed from 1 January 2023 until 31 December 2023;

(c) an amount of EUR 2 086 423 922[6], in accordance with Article 21a(6) of Regulation (EU) 2021/241, exclusively for measures referred to in Article 21c of that Regulation, with the exception of measures referred to in Article 21c (3), point (a);

[5] This amount corresponds to the financial allocation after deduction of Germany'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.

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

(d) an amount of EUR 219 739 187, transferred from the Brexit Adjustment Reserve to the Facility.

2. The Union financial contribution shall be made available by the Commission to Germany in instalments in accordance with the Annex to this Decision. An amount of EUR 2 250 000 000 shall be made available as pre-financing in accordance with Article 13 of Regulation (EU) 2021/241

The pre-financing and 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 replaced by the text in the Annex to this Decision:

Article 2
Addressee

This Decision is addressed to Germany.

Done at Brussels,

For the Council
The President