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2024/0205 (NLE)

Proposal for a

COUNCIL IMPLEMENTING DECISION

amending Implementing Decision (EU) (ST 10155/21 INIT; ST 10155/21 ADD1) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Luxembourg

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2024/0205 (NLE)

Proposal for a

COUNCIL IMPLEMENTING DECISION

amending Implementing Decision (EU) (ST 10155/21 INIT; ST 10155/21 ADD1) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Luxembourg

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 Luxembourg on 30 April 2021, the Commission has 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]. That Council Implementing Decision was amended on 17 January 2023[3].

(2) On 16 May 2024, Luxembourg submitted a modified national RRP, including a REPowerEU chapter in accordance with Article 21c of Regulation (EU) 2021/241, to the Commission.

(3) The modified RRP includes a reasoned request to the Commission to amend the Council Implementing Decision in accordance with Article 21(1) of Regulation (EU) 2021/241 considering the RRP to be partially no longer achievable due to objective circumstances. The modifications to the RRP submitted by Luxembourg concern four measures.

(4) On 14 July 2023, the Council addressed recommendations to Luxembourg in the context of the European Semester. The Council recommended that Luxembourg winds down the energy support measures; ensures prudent fiscal policy; preserves nationally financed public investment and ensures effective absorption of RRF grants and other EU funds; continues to pursue a medium-term fiscal strategy of gradual and sustainable consolidation beyond 2024, combined with investments and reforms

[1] OJ L 57, 18.2.2021, p. 17.
[2] ST 10155/21; ST 10155/21 ADD 1.
[3] ST 16022/22.

conducive to higher sustainable growth; reduced risks related to the housing market; addresses the long-term sustainability of the pension system; increases action to effectively tackle aggressive tax planning; and improves the performance and equity of the school education system. As regards energy, the Council recommended that Luxembourg reduces reliance on fossil fuels by accelerating the deployment of renewables, electricity transmission capacity, easing permitting procedures and investing in energy efficiency; supports municipalities in developing detailed local plans for renewable energy and district heating and cooling systems; promotes electrification of transport and invests in public transport; and steps up policy efforts regarding the skills needed for the green transition.

(5) 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 2023 recommendations on accelerating the deployment of renewable energy and the 2020 recommendation on mitigating the COVID-19 crisis impact on employment.

(6) The submission of the modified RRP followed a consultation process, conducted in accordance with the national legal framework, involving authorities and social partners. 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.

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

(7) The amendments to the RRP submitted by Luxembourg because of objective circumstances concern four measures.

(8) Luxembourg has explained that one measure, the “Project “Neischmelz” in Dudelange – renewable energy” is no longer achievable within the RRF lifetime, because of unexpected delays in construction works since a rare biotope was found on the construction site. This concerns, respectively, milestone 1C-4, milestone 1C-5, milestone 1C-6, target 1C-7 and milestone 1C-8 under component ”1C – Increase of supply of affordable and sustainable public housing”. Moreover, another measure, “Investment 2: Telemedicine solution for remote medical follow-up of patients”, is no longer achievable in the same way due to the unavailability of the proprietary IT solution initially envisaged, and changed circumstances after the end of the COVID-19 crisis. This concerns, respectively, milestone 1B-8 under component 1B: Reinforcement of resilience of health system”. On this basis, Luxembourg has requested to remove the Investment under component 1C and amend Investment 2 under component 1B. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(9) Luxembourg has further requested to use the resources freed up by the removal of the Investment under component 1C and modification of Investment 2 under component 1B under Article 21 of Regulation (EU) 2021/241, for a total amount of EUR 18 884 883 to increase the level of implementation of “Investment 2: Promotion of zero-emission and active mobility” of the REPowerEU chapter. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(10) Luxembourg explained that three measures should modified to implement better alternatives in order to achieve their original ambition. This concerns milestones 3B-5 and 3B-6 of “Investment 2: Development of MyGuichet – Project 1/3 – Virtual

appointment" and 3B-11 and 3B-12 of "Investment 3: eADEM" under component "3B: Modernisation of public administration". The modifications remove unnecesary details of the measure descriptions, which do not contribute to reaching the objectives of these measures, in order to reduce unjustified administrative burden.

(11) The Commission considers that the reasons put forward by Luxembourg justify the amendments pursuant to Article 21(2) of Regulation (EU) 2021/241.

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

(12) The REPowerEU chapter includes one new reform and three new investments. Reform "National biogas strategy" revises Luxembourg's support scheme for electricity and biogas production and contributes to the objective of increasing the production and uptake of sustainable biomethane. Investment 1 is a financial support scheme for energy renovation and construction projects for housing. It aims to boost energy efficiency in buildings and increase the share and accelerate the deployment of renewable energy. Investment 2 is a financial support scheme for the purchase of zero emission vehicles and bicycles, contributing to the objective of supporting zero-emission transport. Investment 3 is a financial support scheme for enterprises installing photovoltaic power plants for self-consumption, facilitating deployment of renewable energy. Deployment of renewable energy and better energy efficiency contribute to the reduction of vulnerabilities during the coming winter seasons.

(13) 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.

(14) 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 Luxembourg.

Balanced response contributing to the six pillars

(15) 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.

(16) The original RRP represented a comprehensive and adequately balanced response (rating A) to the economic and social situation at the time, contributing appropriately to all of the six pillars referred to in Article 3 of Regulation (EU) 2021/241.

(17) The modified RRP including the REPowerEU chapter continues to cover in a comprehensive manner the six pillars and contains a significant number of components supporting more than one pillar. In spite of the investment taken out of the original RRP on the basis of Article 21 of Regulation (EU) 2021/241, the range of actions of the modified RRP including the REPowerEU chapter corresponds to the objectives of the Recovery and Resilience Facility established by that Regulation (the 'Facility') with an appropriate overall balance between pillars due to measures reintroduced into the REPowerEU chapter under Article 21c(3) of that Regulation. In particular, the measures included in the REPowerEU chapter contribute to the pillars of green transition, smart, sustainable and inclusive growth, and social and territorial cohesion.

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

(18) In accordance with Article 19(3), point (b), of and Annex V, criterion 2.2, to Regulation (EU) 2021/241, the modified RRP 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 Luxembourg, including fiscal aspects thereof, or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester.

(19) Having assessed progress in the implementation of all relevant country-specific recommendations as part of the 2024 European Semester, the Commission finds that the substantial progress has been achieved with respect to 2023 recommendation on accelerating the deployment of renewable energy and 2020 recommendation on mitigating the COVID-19 crisis impact on employment.

(20) The modified RRP 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 Luxembourg by the Council in the context of the European Semester, notably regarding the housing market, employment rate for older workers, sustainable transport, and skills needed for green transition.

(21) The REPowerEU chapter addresses the challenges identified in the country-specific recommendations related to energy policy and the green transition. In particular, the REPowerEU chapter measures – the reform of the framework for sustainable biogas and investments providing financial support for energy efficiency and renewable energy projects in housing, zero emission mobility, and small scale photovoltaic installations – directly address 2023 recommendation 4 on the need to reduce overall reliance on fossil fuels, the particular subparts on investing in energy efficiency and promoting the electrification of transport.

Contribution to growth potential, job creation and economic, social and institutional resilience

(22) In accordance with Article 19(3), point (c), of and Annex V, criterion 2.3, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to have a high impact (Rating A) on strengthening the growth potential, job creation, and economic, social and institutional resilience of Luxembourg, contributing to the implementation of the European Pillar of Social Rights, including through the promotion of policies for children and youth, and on mitigating the economic and social impact of the COVID-19 crisis, thereby enhancing the economic, social and territorial cohesion and convergence within the Union.

(23) The assessment of the original RRP, in accordance with Article 19(3), point (c), of and Annex V, criterion 2.3, to Regulation (EU) 2021/241, found that the original RRP was expected to have high impact on strengthening the growth potential, job creation, and economic, social and institutional resilience (rating A).

(24) The modified RRP continues to include significant investments and reforms to address vulnerabilities of the economy and economic cohesion. This includes a reform to improve accessibility to housing; reforms and investments in a more efficient healthcare system; measures to increase labour market participation; and investments in digitalisation of public administration.

(25) Social cohesion is strengthened through the upskilling and reskilling measures, in particular the investment targeting older workers, and addressing gaps in access to healthcare, thus contributing to the implementation of the European Pillar of Social Rights.

Do no significant harm

(26) 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[4] (the principle of 'do no significant harm').

(27) The modifications of the measures included in the original RRP do not have an impact on the assessment of the principle of 'do no significant harm' which remains identical.

(28) The modified RRP including the REPowerEU chapter is assessed to be compliant with the principle of 'do no significant harm' following the methodology set out in the Technical Guidance in the Commission Notice (2021/C58/01). The assessment concludes that, for all new measures under the REPowerEU chapter, there is either no risk of significant harm or, where a risk is identified, a more detailed assessment is performed demonstrating the absence of significant harm. Where needed, the requirements of compliance with the principle of 'do no significant harm' are enshrined in the design of a measure.

Contribution to the REPowerEU objectives

(29) 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.

(30) The implementation of the envisaged measures is expected to effectively contribute to energy efficiency, deployment of renewable energy and zero-emission transport. The reform on the sustainable biogas strategy addresses the objective of increasing the production and uptake of sustainable biomethane. The investment in housing energy renovation aims to boost energy efficiency in buildings and increase the share and accelerate the deployment of renewable energy. The deployment of renewable energy is also the objective of the investment in photovoltaic installations in enterprises for self-consumption. The investment providing financial support to people buying zero-emission vehicles contributes to the objective of supporting zero-emission transport.

(31) The REPowerEU chapter is consistent with Luxembourg's commitment to reduce greenhouse gas emissions. The measures on sustainable housing and transport reinforce those included in the original RRP.

[4] 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).

(32) The REPowerEU chapter also addresses the need to diversify away from fossil fuels by accelerating the deployment of renewable energy, thus increasing Luxembourg's security of supply of energy.

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

(33) 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.

(34) The REPowerEU chapter contributes to securing energy supply in the Union as a whole, including by addressing challenges identified in the Commission's most recent needs assessment, in line with the objectives set out in Article 21c(3), taking into account the financial contribution available to Luxembourg. The measures included in the REPowerEU chapter contribute to reducing Luxembourg's reliance on imported energy and fossil fuels by developing additional renewable energy capacity. The REPowerEU chapter also contributes to reducing dependency on fossil fuels and to reducing energy demand by supporting energy renovation of residential buildings and further enabling sustainable transport.

(35) The total estimated costs of these measures account for a total of EUR 94 million, representing 53 % of the estimated costs of the REPowerEU chapter, above the indicative target of 30 %.

Contribution to the green transition including biodiversity

(36) 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 80.1 % of the RRP's total allocation and 90.3 % of the total estimated costs of measures in the REPowerEU chapter 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 and its draft update of 2023.

(37) The impact of the removed and modified measures on the overall ambition of the RRP regarding the green transition is limited, since the allocation of the removed measure is used for the REPowerEU chapter measures. The REPowerEU chapter makes a significant contribution to supporting further the green transition of Luxembourg, as all new reforms and investments contribute to this objective. The reform and the investments aim to reduce the reliance on fossil fuels, increase energy efficiency, accelerate the deployment of renewable energies, and support zero emission transport.

(38) The modified RRP including the REPowerEU chapter continues to significantly contribute to the green transition, including biodiversity, as well as to the achievement of the Union 2030 climate targets while complying with the objective of EU climate neutrality by 2050.

Contribution to the digital transition

(39) 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 digital objectives account for an amount which represents 37.5 % of the modified RRP's total allocation calculated in accordance with the methodology set out in Annex VII of that Regulation.

(40) The modified RRP continues to significantly contribute to the digital transition through several investments digitalizing public administration and healthcare, and through development of ultra-secure communication infrastructure based on quantum technology.

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 Luxembourg to a large extent (Rating A).

(42) The assessment of the original RRP, in accordance with Article 19(3), point (g), of and Annex V, criterion 2.7, to Regulation (EU) 2021/241, found that the original RRP was expected to have a lasting impact on Luxembourg to a large extent (rating A).

(43) The modified RRP continues to focus on innovative and sustainable economic activities with significant exploitation potential. The REPowerEU chapter, in addition to the existing measures, is also expected to have lasting positive effects on Luxembourg's economy and further boost its green transition. Investments in renewable energy, energy efficiency and electrification of transport are expected to have a lasting impact on the reduction of greenhouse gas emissions and reliance on fossil fuels. The reform will leave a lasting impact by improving the framework conditions for sustainable biogas production.

Monitoring and implementation

(44) 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.

(45) The assessment of the original RRP, in accordance with Article 19(3), point (h), of and Annex V, criterion 2.8, to Regulation (EU) 2021/241 found that the original RRP was adequate (rating A) to ensure effective monitoring and implementation of the RRP, including the envisaged timetable, milestones and targets, and the related indicators.

(46) The nature and extent of the proposed modifications to Luxembourg's RRP do not have an impact on the previous assessment of the effective monitoring and implementation of the RRP. In particular, the milestones and targets that accompany the modified and new measures, including those in the REPowerEU chapter, are clear and realistic and the proposed 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 satisfactory fulfilment of these milestones and targets over time is required to justify a disbursement request.

Costing

(47) 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.

(48) For the costing assessment of the revised plan, the justification provided by Luxembourg on the amount of the cost modifications of the recovery and resilience plan is to a reasonable extent plausible, in line with the principle of cost-efficiency and is commensurate to the expected national economic and social impact.

(49) For the measures in the REPowerEU chapter, the assessment of the cost estimates and supporting documents shows that most of the costs are reasonable and plausible. Full costs demonstration was provided for the new measures. Finally, the estimated total cost of the RRP is in line with the principle of cost-efficiency and is commensurate to the expected national economic and social impact.

Protection of the financial interests of the Union

(50) In accordance with Article 19(3), point (j), of and Annex V, criterion 2.10, to Regulation (EU) 2021/241, the arrangements proposed in the modified RRP including the REPowerEU chapter are adequate (Rating A) to prevent, detect and correct corruption, fraud and conflicts of interests when using the funds provided under that Regulation, and the arrangements are expected to effectively avoid double funding under that Regulation and other Union programmes. This is without prejudice to the application of other instruments and tools to promote and enforce compliance with Union law, including for preventing, detecting and correcting corruption, fraud and conflicts of interest, and for protecting the Union budget in line with Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council[5].

(51) The original assessment had concluded that the control and audit arrangements proposed by Luxembourg were adequate (rating A) under criterion 2.10 of Annex V of the RRF Regulation, subject to the timely fulfilment of two milestones relating to a repository system for monitoring the implementation of the RRF and the finalisation of the implementation of further procedures for the protection of the EU's financial interests, which were assessed positively subject to a commitment during the approval of the first payment request. The Directorate for Economic and Budgetary Affairs within the Ministry of Finance has overall responsibility for the implementation of the RRP and is responsible on behalf of all implementing bodies for the operational and administrative aspects of the RRP. The audit authority for the RRF, the Inspectorate General of Finance (IGF), is responsible for carrying out system audits to verify the effective operation of the control system, as well as audits of operations to provide assurance on the achievement of milestones and targets.

(52) Since the original assessment, the Commission has had access to information on the Luxembourg audit and control system’s actual implementation. This includes the findings of the audit on the protection of the financial interests of the Union performed by the Commission in Luxembourg.

(53) In light of this information, the Commission considers that the internal control system of the Luxembourg RRP is overall adequate. Luxembourg has revised its (a) procedures on conflict of interest, detection of irregularities, monitoring of

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[5] Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget (OJ L 433 I, 22.12.2020, p. 1).

expenditure, double funding, public procurement, and grants; and (b) updated the internal procedures of the coordinating body, in the light of the observations made during the audits to make them more appropriate and proportionate to the protection of the EU's financial interests. Furthermore, the audit body of Luxembourg has revised its audit strategy.

Coherence of the RRP

(54) 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.

(55) The assessment of the original RRP, in accordance with Article 19(3), point (k), of and Annex V, criterion 2.11, to Regulation (EU) 2021/241, considered the original RRP included to a high extent (rating A) measures for the implementation of reforms and public investment projects that represent coherent actions.

(56) The modifications made to the existing RRP components do not alter the overall coherence of the RRP, taking into account the way the measures are mutually reinforcing and complementary. The additional REPowerEU chapter is consistent with the measures deployed under the initial RRP to support the green transition and further reinforces the ambition of the measures related to sustainable housing and electrification of transport. The REPowerEU chapter includes a consistent mix of a reform and three investments that are mutually reinforcing and complementary.

Consultation process

(57) Luxembourg has carried out additional consultations of stakeholders in the context of the amendment of the RRP and for the preparation of the REPowerEU chapter, involving the social partners.

Positive assessment

(58) Following the positive assessment of the Commission concerning the modified RRP including the REPowerEU chapter, with the finding that the plan 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

(59) The estimated total costs of the modified RRP including the REPowerEU chapter of Luxembourg is EUR 241 100 776. As the amount of the estimated total costs of the modified RRP is higher than the updated maximum financial contribution available for Luxembourg, the financial contribution calculated in accordance with Article 11 allocated for Luxembourg's modified RRP including the REPowerEU chapter should be equal to the total amount of the financial contribution available for Luxembourg's modified RRP including the REPowerEU chapter. This amount is equal to EUR 82 670 643.

(60) Pursuant to Article 21a(5) of Regulation (EU) 2021/241, on 16 May 2024 Luxembourg 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 176 746 699. As this amount is higher than the allocation share available for Luxembourg, the additional non-repayable financial support available for Luxembourg should be equal to the allocation share. This amount is equal to EUR 29 955 009.

(61) Additionally, in accordance with Article 4a of Regulation (EU) 2021/1755[6], on 28 February 2024 Luxembourg submitted a reasoned request to transfer all its remaining provisional allocation from the resources of the Brexit Adjustment Reserve to the Facility, amounting to EUR 128 475 124. That amount should be made available to support the reforms and investments in the REPowerEU chapter as additional non-repayable financial support.

(62) The total financial contribution available to Luxembourg should be EUR 241 100 776.

(63) Council Implementing Decision of 13 July 2021 on the approval of the assessment of the RRP for Luxembourg 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

Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan 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 Luxembourg on the basis of the criteria provided for in Article 19(3) of Regulation (EU) 2021/241 is approved. The reforms and investment projects under the RRP, the arrangements and timetable for the monitoring and implementation of the RRP, including the relevant milestones and targets, the relevant indicators relating to the fulfilment of the envisaged milestones and targets, and the arrangements for providing full access by the Commission to the underlying relevant data are set out in the Annex to this Decision.";

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

"1. The Union shall make available to Luxembourg a financial contribution in the form of non-repayable support amounting to EUR 241 100 776[7]. That contribution includes:

(a) an amount of EUR 76 625 886 that shall be available to be legally committed by 31 December 2022;

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6 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).

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

(b) an amount of EUR 6 044 757 that shall be available to be legally committed from 1 January 2023 until 31 December 2023;

(c) an amount of EUR 29 955 009[8], 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);

(d) an amount of EUR 128 475 124, transferred from the Brexit Adjustment Reserve to the Facility.

2. The Union financial contribution shall be made available by the Commission to Luxembourg in instalments in accordance with the Annex to this Decision. An amount of EUR 12 136 030 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 Grand Duchy of Luxembourg.

Done at Brussels,

For the Council
The President

[8] This amount corresponds to the financial allocation after deduction of the Luxembourg'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.