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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: COUNCIL IMPLEMENTING DECISION amending the Council
Implementing Decision of 13 July 2021 on the approval of the assessment
of the recovery and resilience plan for Luxembourg

COUNCIL IMPLEMENTING DECISION

of ...

**amending the Council Implementing Decision 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 Facility¹, and in particular Article 18(2) thereof,

Having regard to the proposal from the European Commission,

¹ OJ L 57, 18.2.2021, p. 17.

Whereas:

- (1) Following the submission by Luxembourg of its national recovery and resilience plan ('RRP') on 30 April 2021, the Commission proposed its positive assessment to the Council. On 13 July 2021, the Council approved the positive assessment by means of an implementing decision ('the Council Implementing Decision of 13 July 2021')¹.
- (2) Pursuant to Article 11(2) of Regulation (EU) 2021/241, the maximum financial contribution for non-repayable financial support of each Member State should be updated by 30 June 2022 in accordance with the methodology provided therein. On 30 June 2022, the Commission presented the results of that update to the European Parliament and to the Council.
- (3) On 11 November 2022, Luxembourg submitted an updated RRP to the Commission, in accordance with Article 18(2) of Regulation (EU) 2021/241, in order to take into account the updated maximum financial contribution. Pursuant to Article 19 of Regulation (EU) 2021/241, the Commission has assessed the relevance, effectiveness, efficiency and coherence of the updated RRP, in accordance with the assessment guidelines set out in Annex V to that Regulation.

¹ See documents ST10155/21 and ST 10155/21 ADD 1 on <http://register.consilium.europa.eu>.

- (4) The update submitted by Luxembourg affects the digital skills investment under component 1A (Skilling, Upskilling and Reskilling) as well as milestones 1A-6 and 1A-7 and target 1A-8, as set out in the Annex to the Council Implementing Decision of 13 July 2021.
- (5) The digital skills investment, which concerns a set of e-learning courses on digital skills targeting employees placed on short-time work schemes between January and March 2021, does not appear in the updated RRP of Luxembourg. The description of the digital skills investment, milestones 1A-6 and 1A-7, and target 1A-8 should therefore be removed from the Council Implementing Decision of 13 July 2021.
- (6) The very limited modifications put forward by Luxembourg do not affect the positive assessment of the RRP with regard to its relevance, effectiveness, efficiency or coherence.

- (7) In particular, with regard to the assessment criterion set out in Article 19(3), point (b), Regulation (EU) 2021/241, in spite of the removal of the digital skills investment, the updated RRP continues to address all or a significant subset of the challenges identified in the country-specific recommendations addressed by the Council to Luxembourg in 2019 and 2020, including challenges concerning labour-market policies and the digital transition. The updated RRP still contains digital measures, including measures on upskilling and reskilling. In particular, the FutureSkills programme provides soft, digital, and managerial skills to jobseekers, with a dedicated target for jobseekers aged 45 years and over. The “Skillsdäsch” reform is aimed at designing vocational training programmes (“Skillsbridges”) to help workers and jobseekers enhance their employability during the green and digital transitions. Furthermore, the updated RRP also maintains a number of investments in digitalisation and innovation contributing to the digital transition in the areas of healthcare and public services, and by developing an ultra-secure communication infrastructure.

- (8) Furthermore, with regard to the assessment criterion set out in Article 19(3), point (e), of Regulation (EU) 2021/241, taking into account the reduced maximum financial contribution and the updated RRP, the measures that effectively contribute to the green transition amount to 68,8 % of the updated RRP's total allocation, compared with 60,9 % in the initial RRP. Those figures have been calculated in accordance with the methodology set out in Annex VI to Regulation (EU) 2021/241.
- (9) Moreover, with regard to the assessment criterion set out in Article 19(3), point (f), of Regulation (EU) 2021/241, the measures that effectively contribute to the digital transition account for an amount which represents 29,6 % of the updated RRP's total allocation, compared with 31,6 % in the initial RRP. Those figures have been calculated in accordance with the methodology set out in Annex VII to Regulation (EU) 2021/241.
- (10) With regard to the assessment criteria set out in Article 19(3), points (a), (c), (d), (g), (h), (i), (j) and (k), of Regulation (EU) 2021/241, the limited modifications of the RRP do not affect the positive assessment of the initial plan.

- (11) Following the positive assessment of the Commission concerning Luxembourg's updated RRP with the finding that the RRP satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241, in accordance with Article 20(2) of and Annex V to that Regulation, this Decision should set out the amendments to the reforms and investment projects necessary to take account of the updated RRP.
- (12) The estimated total cost of the updated RRP of Luxembourg is EUR 88 354 077. As the updated RRP satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241 and, furthermore, as the amount of the estimated total costs of the updated RRP is higher than the updated maximum financial contribution available for Luxembourg, the financial contribution allocated for Luxembourg's updated RRP should be equal to the total amount of the updated financial contribution available for Luxembourg.
- (13) The Council Implementing Decision of 13 July 2021 should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

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

- (1) Article 1 is replaced by the following:

‘Article 1

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

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

- ‘1. The Union shall make available to Luxembourg a financial contribution in the form of non-repayable support amounting to EUR 82 670 643*. An amount of EUR 76 625 886 shall be available to be legally committed by 31 December 2022. A further amount of EUR 6 044 757 shall be available to be legally committed from 1 January 2023 until 31 December 2023.
2. The Union financial contribution shall be made available by the Commission to Luxembourg in instalments in accordance with the Annex to this Decision. The instalments may be disbursed by the Commission in one or several tranches. The size of the tranches shall be subject to the availability of funding.

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

- (3) the Annex is amended as follows:
- (a) Section 1 (Reforms and Investments under the Recovery and Resilience Plan) is amended as follows:
- (i) in point 1 (Description of Reforms and Investments), section A (Component 1A: Skilling, Upskilling and Reskilling) is amended as follows:
- (1) in the first paragraph, the second sentence is replaced by the following:
- ‘A training programme, the FutureSkills programme, provides skills to jobseekers, with a dedicated target for jobseekers aged 45 years and over.’;
- (2) in subsection A.1 (Description of the reforms and investments for non-repayable financial support), the third subpart (Investment 2: Digital Skills) is deleted;
- (3) in subsection A.2 (Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support), rows 1A- 6, 1A-7 and 1A-8 are deleted;

- (ii) in point 2 (Estimated total cost of the recovery and resilience plan), the first sentence is replaced by the following:

‘The estimated total cost of the recovery and resilience plan of Luxembourg is EUR 88 354 077.’;

- (b) in Section 2 (Financial Support), point 1 (Financial contribution) is amended as follows:

- (i) subpart 1.1 (First Instalment (non-repayable support)) is amended as follows:

(1) rows 1A-6, 1A-7 and 1A-8 are deleted;

(2) in the final row, fourth column, the instalment amount ‘EUR 29 858 611’ is replaced by ‘EUR 24 858 611’;

- (ii) in subpart 1.2 (Second Instalment (non-repayable support)), final row, fourth column, the instalment amount ‘EUR 24 413 757’ is replaced by ‘EUR 22 228 500’;

- (iii) in subpart 1.3 (Third Instalment (non-repayable support)), final row, fourth column, the instalment amount ‘EUR 18 626 256’ is replaced by ‘EUR 16 959 033’;

- (iv) in subpart 1.4 (Fourth Instalment (non-repayable support)), final row, fourth column, the instalment amount ‘EUR 12 649 505’ is replaced by ‘EUR 11 517 256’;
- (v) in subpart 1.5 (Fifth Instalment (non-repayable support)), final row, fourth column, the instalment amount ‘EUR 7 805 947’ is replaced by ‘EUR 7 107 243’.

Article 2

This Decision is addressed to the Grand Duchy of Luxembourg.

Done at ...,

For the Council
The President
