EN E-002362/2022 Answer given by Executive Vice-President Dombrovskis on behalf of the European Commission (20.9.2022)

In the Commission's proposal to amend the Recovery and Resilience Facility (RRF) Regulation¹ and the accompanying guidance of 18 May 2022 on Recovery and Resilience Plans in the context of REPowerEU², the Commission has acknowledged that recent geopolitical events have affected prices of energy and construction materials, which have also caused shortages in the global supply chains. These developments may have a direct impact on the capacity to implement some investments included in the recovery and resilience plans.

Therefore, such situations may be invoked as objective circumstances under Article 21 of the RRF Regulation, to the extent that Member States can demonstrate that such developments make a specific milestone or target no longer achievable. The request should be based on a thorough justification. Member States would need to provide evidence of the direct impact on the measure(s) they seek to revise.

The Commission has emphasized that no request for amendments should undermine the overall implementation of the recovery and resilience plans and that price increases cannot constitute objective circumstances for revising reforms as those are not generally cost dependent.

¹ <u>https://ec.europa.eu/info/system/files/com-2022-231_en.pdf</u>

² https://ec.europa.eu/info/sites/default/files/c_2022_3300_1_en_0.pdf