Social governance of the Recovery and Resilience Facility: Involvement of the national social partners

Introduction

The Recovery and Resilience Facility (RRF) is a temporary financial instrument established by Regulation (EU) 2021/241 in February 2021. Its initial purpose was to support the EU Member States’ recovery from the COVID-19 pandemic and simultaneously to strengthen their economies and societies and prepare them for the green and digital transition. The RRF was initially framed by the pandemic but has been extended into the medium term (until 2026). The RRF is the cornerstone of the ambitious NextGenerationEU package and has been integrated into the European Semester framework for economic and social policy coordination; RRF funding is intended to address the challenges identified in the country-specific recommendations set out by the Council of the European Union.

The European Commission has encouraged Member State governments to involve the social partners in the European Semester, and the RRF Regulation requires them to be consulted in the preparation and implementation of the national recovery and resilience plans (RRPs). This report reviews the quality of the social partners’ involvement in the ongoing implementation of reforms and investments included in the RRPs in 2023. It also examines the quality of their involvement in the preparation of the 2023 national reform programmes (NRPs) as part of the European Semester.

Policy context

The 2023 European Semester cycle has taken place against the challenging backdrop of the war in Ukraine and the uncertain economic context, including high inflation and supply bottlenecks. These problems have affected the implementation of Member States’ RRPs, although the overall operation of the RRF is on track. According to the Commission, by 1 September 2023 the RRF had received 31 payment requests from 19 Member States and had disbursed €153.4 billion. However, some issues related to administrative capacity, difficulties in meeting deadlines because of unexpected delays in works and incurred costs, and the achievement of milestones were reported by some Member States.

Following the amendment of the RRF Regulation, 23 Member States have voluntarily submitted modified RRPs that include a new REPowerEU chapter. Member States submitted these chapters in response to the disruption of the global energy market caused by Russia’s invasion of Ukraine. Under the REPowerEU plan, the RRF supports additional reforms and investments to meet the plan’s objectives, such as reducing energy consumption, supporting workforce reskilling for a green future, addressing energy poverty and generally accelerating the clean energy transition.

Key findings

Institutional settings for involvement

Each Member State has chosen the most appropriate governance structure for the implementation of its RRP, in accordance with national social dialogue frameworks. The institutional frameworks for involving the social partners are therefore very varied, since some Member States have established specific settings and procedures, and others have used existing social dialogue channels.

In most Member States, the social partners reported being involved through a combination of settings. In Member States where social dialogue is not conducted through formal or institutionalised settings, ad hoc or informal bipartite or tripartite consultations are the main setting for their involvement. In other countries, ad hoc consultation processes have been set up to involve the social partners as an alternative to their participation through well-established social dialogue institutions. In addition, some governments have held consultations as part of efforts to extend the scope of involvement beyond the social partners to civil society organisations.
Existing bipartite and tripartite social dialogue institutions are a common setting for the involvement of the social partners in a number of Member States (Belgium, Bulgaria, Croatia, Cyprus, Czechia, France, Hungary, Malta, Poland, Portugal, Slovakia and Slovenia), although in some cases this form of involvement is secondary or supplementary to other settings.

In a few countries, the social partners have been involved through new bodies or specific working groups created in the context of the European Semester or to monitor the implementation of the RRPs. This is the predominant setting in some central and eastern European countries (Hungary, Poland, Romania and Slovakia) and in southern Europe (Italy, Portugal and Spain).

**Quality of involvement**

In line with previous findings on the implementation of the RRPs, in most Member States insufficient time for consultations has been identified by the social partners as limiting proper and meaningful consultation. Similarly, the quality of exchanges with national authorities is generally assessed negatively. The social partners are dissatisfied with their limited ability to influence the implementation of the RRPs, either because of time constraints or owing to a lack of appropriate information or feedback from the national authorities.

These assessments should be understood in a nuanced way, however, and their context taken into account, as they can be influenced by various factors. One of these is the varied pace of implementation across countries. In some Member States, the operation of national RRP monitoring committees is in its early stages, and the social partners’ assessments may be affected by discussions related to the composition of these committees or the agreement of procedural rules regarding them.

Employer organisations overall tend to be more satisfied with their involvement in the implementation of reforms and investments in most policy fields than trade unions. This may be explained by the nature of the reforms and investments provided for in national plans.

The social partners’ views, however, are influenced by the complexity of the governance structure for the implementation of the RRPs (including ministries, different administrative or regional departments and so on). As a result, it is difficult to provide a proper and meaningful assessment of the various bodies, institutions and committees involved.

According to the social partners, the European Commission has been active in informing them of and involving them in developments related to the RRF. This involvement has taken various forms, including regular exchanges with the Commission’s European Semester officers, meetings with the Recovery and Resilience Task Force and participation in fact-finding missions. These opportunities to be heard were appreciated by most social partners that took part.

**Policy pointers**

- Since the adoption of the RRF in 2021, during the COVID-19 crisis, it has evolved to adapt to a changing geopolitical environment and challenging economic circumstances. The lessons learned from the first stages of the RRP implementation process by both governments and the social partners should lead now to a more settled second phase during which the social partners should be more regularly and comprehensively involved at various levels.

- The more complex and uncertain the economic context is, the better and broader the social partners’ involvement in economic, social and sustainability policymaking should be. This engagement will contribute to ensuring the effectiveness of the structural reforms and investments set out in the RRPs and will increase their legitimacy.

- In line with the recommendation to strengthen social dialogue in the EU adopted by the Council on 12 June 2023 and with the implementation of the European Pillar of Social Rights, the systematic, meaningful and timely involvement of the social partners should receive greater priority in the development of employment and social policies and any other relevant policies during the second phase of the implementation of the RRF, which will run until the end of 2026.

**Further information**

The report *Social governance of the Recovery and Resilience Facility: Involvement of the national social partners* is available at https://eurofound.link/ef23060

Research manager: Ricardo Rodríguez Contreras

information@eurofound.europa.eu

---

European Foundation for the Improvement of Living and Working Conditions EF/23/060/EN 1