To the German Presidency of the EU To the European Parliament Budget and ECON Chairs and Rapporteurs To the European Commission Task Force on European Recovery Plan

Brussels, 10 November 2020

Honorable Minister, Members of the European Parliament and Director,

Re: Open letter on the European Recovery and Resilience Plans and Civil Society

We would like to express our concerns with the lack of involvement of civil society organisations in the design and adoption of the European regulatory framework for the National Recovery and Resilience Plans (NRRPs). It is crucial that in this very critical period, where many people in Europe are suffering the consequences of the pandemic, budget resources are adopted, available and tailored to the needs reported on the ground. We urge you therefore to do your utmost to consult with civil society organisations during this process leading to an inter-institutional compromise for an ambitious plan allocating resources that will support and engage Europeans for the next years.

Such a plan will have to aim to "build back better" and ensure that public money will be spent to stimulate the economic recovery, re-investing in social, employment, and skills policies, in health care, culture and education and supporting the digital transition while achieving the European Green Deal objectives of climate neutrality and zero pollution. For this to happen, the following conditionalities must be set in the National Recovery and Resilience Plans (NRRPs):

- Civil society must be involved and consulted through a regular and structured multi-stakeholder dialogue by their respective governments and national authorities before the official submission of the draft NRRP by the Member State. This will support both the quality of the NRRPs and the legitimacy;
- An effective monitoring system must be put in place to set out key environmental social, economic indicators that evaluate the progress registered by the recovery and resilience plans in each of the priority policy areas to assess compliance with the minimum shares of expenditure on climate, environmental, social, and other objectives;
- At least a 25% earmarking for social investment, with a strong focus on the full implementation of the European Pillar of Social Rights, to ensure that recovery from the crisis is truly inclusive tackling social exclusion, poverty and inequalities;
- The **RRF** should contribute at least with 40% of its resources to mainstreaming climate actions and with at least 10% earmarking for biodiversity and environmental sustainability, based on a methodology using the Taxonomy criteria, in order to contribute to the achievement of an overall target of 40% of the EU budget expenditures supporting climate objectives;
- **Fossil-fuels based activities and projects** must be excluded from receiving money under the NRRPs;
- At the very least 2% of the National Recovery and Resilience Plan should be allocated to culture, as also called for by the European Parliament in its Resolution on the "Cultural Recovery of Europe". Cultural and creative sectors are among the most

seriously impacted by the pandemic and the consequent lockdown measures, threatening the vibrancy and richness of Europe's cultural diversity;

- Incorporate gender mainstreaming and adopt a gender budgeting lens across all plans, including climate mainstreaming and digital targets. This must include concrete objectives, targets, indicators, *ex-ante* and *ex-post* gender impact assessments, and draw on sex-disaggregated data;
- Clarify that civil society organisations are eligible for measures under the employment, economic, digital and greening objectives of the plan in addition to SMEs.

We find it critical that the National Recovery and Resilience Plans are crafted in a way that responds the most to the public concern. For this reason, we have informed our members and called upon them to engage with their national governments on the preparation of the plans. The importance of engaging in dialogue with civil society organisations, such as associations and foundations, in addition to the social partners, in the design and preparation of the plans is also underlined as a requirement. We support the European Parliament in asking to apply the partnership principle, as established in the framework of Cohesion Policy, to the development and implementation for the Recovery and Resiliency Facility. Such a consultation must be carried out in accordance with the highest principles of good governance, transparency and democratic inclusiveness.

We note that many not-for-profit organisations are potentially directly eligible for measures under the employment, economic, digital and greening objectives of the plan, although guidelines at EU level refer specifically only to business and SMEs. Additional clarification is needed to underline that civil society can be engaged through the measures. This is even more critical as the EU instruments are complementing national measures. Civil society organisations have been and are at the forefront in responding to the crisis, but have also been greatly affected in many sectors such as health, social, cultural, education, environment, many of which are overrepresented by women, and rife with precarious conditions and a lack of access to social protection.

In order to ensure public participation, as well as an endorsement of the measures, **a communication strategy** on the national Recovery and Resilience Plans has to be developed. This should **include access for citizens to the full content of the plans, including at drafting stage, as well as information on the internal adoption process and parliamentary discussions.** We notice that in many countries there is a lack of transparency on the plans, their preparation and possibilities to engage and offer input.

We also believe that in order to uphold the principle of transparency and ensure public scrutiny of the measures adopted, **information on the final beneficiaries of the projects and investment funded should be published**. Some Member States already have established an open database for structural funds beneficiaries which could be extended, if not already foreseen, to include funding from the EU Recovery Plan.

We believe that these measures are fundamental to also restore citizens' confidence in these difficult times, given that public participation has been restricted since the beginning of the pandemic. They will also help support the good targeting and use of the funds, their

cost-effectiveness and governance, and support the wise, effective and efficient use of public funds.

Finally we also would like to inform you that we will prepare an evaluation of the recovery Plans based on the feedback from civil society organisations, in which we will identify best practices notably as regards consultation of civil society. We remain at your disposal for any further clarification on this matter. Please do not hesitate to send us information that could be useful for our members in this context.

Yours sincerely,

